Wednesday
16th March, 1949

THE CONSTITUENT ASSEMBLY OF INDIA (LEGISLATIVE) DEBATES

(PART I—QUESTIONS AND ANSWERS)

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CONSTITUENT ASSEMBLY OF INDIA (LEGISLATIVE) DEBATES

(PART I—QUESTIONS AND ANSWERS)

Wednesday, 16th March 1949

The Assembly met in the Assembly Chamber of the Council House at a quarter to Eleven of the Clock, Mr. Speaker (The Honourable Mr. G. V. Mavalankar) in the Chair.

STARRED QUESTIONS AND ANSWERS

ORAL ANSWERS

CEYLON CITIZENSHIP ACT

*1091. **Shri R. K. Sidhva:** (a) Will the Honourable the Prime Minister be pleased to state whether the Ceylon Government have passed the Ceylon Citizenship Act in its original form despite the Government of India's suggestion for certain modifications therein?

(b) Do Government propose to continue to press the view-point of Indians before the Ceylon Government?

(c) Have passport regulations been introduced by both the Governments?

Dr. B. V. Keskar (Deputy Minister of External Affairs): (a) The Indian and Pakistani Residents (Citizenship) Bill as passed by the Ceylon Parliament is slightly different from the original Bill; but the amended Bill does not on the whole embody any of the Government of India's important suggestions and does not thus meet their objections against the measure.

(b) The attention of the honourable member is drawn to the reply given by me on the 9th March 1949 to Question No. 1000 of Pandit Mukut Behari Lal Bhargava. I have nothing to add to that reply at present.

(c) Under the existing law, no passport or visa is required by Indians and Ceylonese for travel between India and Ceylon. Entry into Ceylon must, however, be through one of the authorised ports which have been notified by the Government of Ceylon. That Government have recently passed a new Act called the Immigrants and Emigrants Act, 1948. When this Act comes into force, all persons intending to proceed to Ceylon will be required to be in possession of valid passports. A similar requirement will also be insisted on by the Government of India in respect of the entry of Ceylonese into India.

Shri R. K. Sidhva: May I know whether the Government of Ceylon's attention was drawn while this Bill was being discussed that the Indians were originally sent to Ceylon at the instance of the Ceylon Government for the development of the resources there; if so what was the reply to that representation if made by the Government of India?

Dr. B. V. Keskar: All these and many other matters were brought not only once but many times to the notice of the Ceylonese Government and if my honourable friend would take the trouble of looking into the correspondence that has passed between the Government of India and the Government of Ceylon and that has been published and distributed to honourable members he will see that we have insisted not once but many times on this and other matters, but unfortunately our insistence has not had much effect.

Shri R. K. Sidhva: Arising out of part (c) of the question to which the Deputy Minister gave a reply that when the Act comes into force about the passports, both the Government will have to issue the passports, may I know whether the Government will be prepared to consider that those residents who want to proceed to Ceylon frequently for business purposes may be given permanent passports?

Dr. B. V. Keskar: I think all passports are permanent in the sense that till the expiry of the passport it can be used. But there is no such thing as a permanent passport anywhere. You can say permit, but I have never heard of a permanent permit: it can be automatically renewed for a person who comes and goes between the two places.

Shri R. K. Sidhva: Is there not something like a periodical passport between India and Pakistan given to those who have business in both Dominions?

Dr. B. V. Keskar: They are permits, not passports. A passport is given for five years and it is renewable upto ten years. I do not think the question arises.

Shri O. V. Alagesan: Have any instructions been sent to our High Commissioner in Ceylon to watch the working of the new Citizenship Act and report the hardships that may be experienced by Indians in registering themselves as citizens?

Mr. Speaker: Order, order. It is a suggestion for action.

BAN ON EXPORT OF JUTE TO SOUTH AFRICA

***1092. Shri R. K. Sidhva:** (a) Will the Honourable Minister of Commerce be pleased to state whether it is a fact that the Government of India prohibited the export of jute to South Africa?

(b) Are Government aware that despite the ban, jute is exported to South Africa and if so, what was the quantity so exported during the years 1946, 1947 and 1948?

(c) From what ports were the consignments booked?

(d) Have Government taken steps to see that their order is carried out in letter and spirit?

The Honourable Shri K. C. Neogy: (a) Yes.

(b) Government have received no reports suggesting that Jute as such has been exported to South Africa after the imposition of the ban. If, however the honourable member is referring to goods made out of jute, I would invite his attention to my reply to Starred Question No. 306 asked by Pandit Mukut Behari Lal Bhargava on the 11th February 1949.

(c) The only port in India from which any shipments of jute or jute goods take place is Calcutta.

(d) Yes.

Shri R. K. Sidhva: May I know whether the Honourable Minister wants to emphasize in stating that no shipments were sent from India through Singapore and Hongkong to South Africa?

The Honourable Shri K. C. Neogy: No, Sir.

Shri R. K. Sidhva: May I know whether Government have recently issued a regulation to the effect that in the event of any shipments being made to any port a certificate will have to be taken and also a security from the shippers; if that is so what is the reason for issuing that regulation?

The Honourable Shri K. C. Neogy: As a matter of fact this is one of the many precautions that Government have taken to prevent the smuggling of jute goods to South Africa.

Shri R. K. Sidhva: When the Honourable Minister stated that no jute went to South Africa.....

The Honourable Shri K. C. Neogy: They were not consigned to South Africa from India; they were consigned from other ports.

Shri R. K. Sidhva: *Via* Singapore and Hongkong?

The Honourable Shri K. C. Neogy: That is what we are trying to find out. There have been allegations to this effect. I receive one or two anonymous communications to this effect almost every week and we make enquiries to the best of our ability.

Shri R. K. Sidhva: During the enquiries was the Honourable Minister satisfied that the shipments did not go *via* Singapore and Hongkong?

The Honourable Shri K. C. Neogy: It is not a question of its going *via* a particular place. Shipments go to a particular place and then they are perhaps re-shipped from that particular place. It is not a question of the shipments going *via* some place or directly from India.

Seth Govind Das: Could Government find out who were the traders on account of whom these shipments of jute goods have been smuggled to South Africa?

The Honourable Shri K. C. Neogy: That is exactly what we are trying to find out. Our instructions have been issued to the various trade agents to enquire and let us know. The shippers from India say they have no knowledge as to the ultimate destination. They at least try to make out that in so far as they are concerned these represent *bona-fide* transactions under which jute goods are shipped to certain ports which are approved by us on certain conditions. Then what happens to these goods after they are landed in those ports or what happens to them if, for instance, the ship itself is diverted from the way is a matter in regard to which they say they have no responsibility.

Shri R. K. Sidhva: Has our Agent been enquired into from South Africa whether any jute arrived there from India and if so what was the quantity and what efforts were made to stop it?

The Honourable Shri K. C. Neogy: Having regard to our relations with South Africa, I am afraid the kind of enquiry which my honourable friend has in mind cannot be made.

Shri R. K. Sidhva: Was there any trade agent or anybody on behalf of India there?

The Honourable Shri K. C. Neogy: There is the Secretary to High Commissioner's organisation.

Shri B. Das: May I enquire if there are larger applications from new foreign ports for export of jute and whether in such cases Government exercises a check that their requirement is normal and not intended for export to South Africa?

The Honourable Shri K. C. Neogy: As a matter of fact we have gone, in my opinion, to the farthest limit in regard to these precautions; and I am afraid that our legitimate trade in jute is suffering on this account. All that my honourable friend has suggested is being done, but we have not succeeded in stopping this smuggling.

Shri R. L. Malviya: In view of the fact that there is a shortage of jute in India may I know whether any attempt is being made to retain the jute in India and allow export only after meeting the internal requirements?

The Honourable Shri K. C. Neogy: I am afraid my honourable friend's suggestion that jute is in short supply in India is not correct.

Seth Govind Das: Have Government received any information with respect to the smuggling of jute from the South African Indian Congress?

The Honourable Shri K. C. Neogy: I do not remember to have received any communication from the Congress itself, but I have received reports from prominent Indians in South Africa including Mr. Manilal Gandhi when he was here on the last occasion.

Pandit Hirday Nath Kunzru: Have Government received any official or reliable information that more jute is reaching South Africa than was being shipped to that place before the ban on the export of jute from India to South Africa was imposed?

The Honourable Shri K. C. Neogy: No such information has reached Government.

Shri R. K. Sidhva: May I ask whether the Secretary of the High Commissioner's organisation was enquired into by the Government in this matter; if so will the Honourable Minister be able to place the correspondence or the information which the Secretary gave, before the House?

The Honourable Shri K. C. Neogy: I will look into the papers. But as far as I recollect no formal correspondence has taken place on this particular subject.

Shri R. K. Sidhva: May I know—Sir, this is an important question.....

Mr. Speaker: Next question.

DAMAGE TO GOVERNMENT OF INDIA'S PROPERTIES IN BOMBAY CYCLONE

*1093. **Shri R. K. Sidhva:** (a) Will the Honourable Minister of Works, Mines and Power be pleased to state to what extent damage and loss has been caused to the properties of the Government of India in the recent cyclone in Bombay?

(b) Has any barge, launch, boat or ship belonging to Government or the Port Trust been lost or damaged and if so, how many?

The Honourable Shri Satyanarayan Sinha (Minister of State): (a) The Government of India suffered damage and loss to the extent of about Rs. 50 lakhs. Besides, 2,073 bags of food grains were damaged, out of which 1,782 bags were salvaged, 272 bags were treated as sweepings and 19 bags were completely lost.

(b) (i) Two Bangor class mine sweepers suffered major damage and a number of other ships sustained minor damages.

(ii) Two motor launches were sunk.

(iii) A schooner, *Lot's Wife*, costing Rs. 30,000 was sunk.

The Bombay Port Trust was affected as under:

(i) *S.P.V. Lady Wilson* was stranded on Butcher Island.

(ii) *S.T. Rose*—The Port Anchor and 15 fathoms of cable were lost. The Post Trust Life-boat was damaged and gear was lost overboard. The bridge and superstructure suffered superficial damage.

(iii) Barge No. 139 foundered and sank near the Bombay Steam Nagivation Company's slipway

Shri R. K. Sidhva: May I know, Sir, when notice about the cyclone was given to the public by the Meteorological Department?

The Honourable Shri Satyanarayan Sinha: I have no information on the subject just now—I would like to have notice.

Shri H. V. Kamath: Was there no timely meteorological warning to Government of the impending storm so as to enable Government to whether it successfully?

The Honourable Shri Satyanarayan Sinha: I would like to have notice of that too.

Loss to Refugees in Bombay Cyclone

*1094. **Shri R. K. Sidhva:** (a) Will the Honourable Minister of Relief and Rehabilitation be pleased to state whether there has been any loss of life or property amongst the refugees in Bombay in the recent Cyclone?

(b) If so have Government compensated the refugees for the loss thus sustained?

The Honourable Shr. Mohan Lal Saksena: (a) and (b). Yes.

Shri R. K. Sidhva: But may I know what was the loss sustained and may I know if the refugees have been compensated?

The Honourable Shri Mohan Lal Saksena: Yes.

Shri R. K. Sidhva: If so, what is the amount of compensation?

The Honourable Shri Mohan Lal Saksena: The total expenditure incurred by the Government in this connection is Rs. 11,800.

Shri R. K. Sidhva: May I know refugees in which camps were affected mostly?

The Honourable Shri Mohan Lal Saksena: I shall require notice of that question. But I have got information regarding the loss of lives. Thirteen lives were lost in all the camps.

Shri R. K. Sidhva: May I know how many died in the Kalyan Camp?

The Honourable Shri Mohan Lal Saksena: I could not give the exact information, Sir.

Shri R. K. Sidhva: Was there any loss in Deolali Camp?

The Honourable Shri Mohan Lal Saksena: I have not got detailed information, but the total loss in all these camps was thirteen casualties.

Shri R. L. Malviya: What was the total loss of property?

The Honourable Shri Mohan Lal Saksena: So far as the loss of property is concerned, the belongings of these persons were lost and for that we have given compensation.

Lala Achint Ram: Sir, we have not followed what the Honourable Minister has stated.

The Honourable Shri Mohan Lal Saksena: The refugees were staying in camps and there was no question of loss to their property. Some of them lost their personal belongings for which they have been compensated.

Shri R. K. Sidhva: How was the compensation assessed?

The Honourable Shri Mohan Lal Saksena: They were given Rs. 100 for male members lost and Rs. 50 for female members or children lost.

Shri R. K. Sidhva: Irrespective of whatever property they lost?

The Honourable Shri Mohan Lal Saksena: This is in regard to the loss of lives and not with regard to property.

Shri R. K. Sidhva: Then what became of the loss of moveable property?

The Honourable Shri Mohan Lal Saksena: I have already informed the honourable member that they were compensated for that and that the total came to Rs. 11,300.

Shrimati G. Durgabai: May I know, Sir, why the compensation given for loss of female members was less than the amount given for loss of male members?

The Honourable Shri Mohan Lal Saksena: As a matter of fact, this was left to the discretion of the Bombay Government. Of course, they must take into consideration the earning capacity of the male and female members.

IMPORT OF AUTOMOBILES IN 1948

*1095. **Dr. Mono Mohan Das:** (a) Will the Honourable Minister of Commerce be pleased to state how many automobiles of foreign make have been imported into this country during the year 1948?

(b) What is their total cost?

(c) How many of them have been taken by the Government of India for their use?

The Honourable Shri K. C. Neogy: (a) to (e). I lay on the table of the House a statement containing the required information.

STATEMENT

(i) Import of Automobiles into India

	January to December 1948	
	Quantity Number	Value (Rs. in lakhs)
Motor Cars (including taxi cars)	19,966	831·2
Motor Cycles (including scooters)	4,186	43·2
Motor omnibuses, Motor Vans and Motor Lorries—		
(i) Imported with bodies	710	35·2
(ii) Chassis	18,944	802·3

(ii) Number of Automobiles taken by Government

	Number	Value (Rupees in lakhs)
Purchases made from private dealers and importers:—		
British make	2,033	157·1
American make	3,234	161·6

Imports on Government Account during 1948—Nil

Dr. Mono Mohan Das: What is the total amount of revenue derived from the import of these automobiles?

The Honourable Shri K. C. Neogy: I am afraid I have not got the figure before me just now.

Shri H. V. Kamath: Has the Honourable Minister made any attempt to enquire whether automobiles of Russian make are cheaper for import purposes than those of American or Canadian make?

Mr. Speaker: It does not arise.

Shri H. V. Kamath: They are also automobiles of foreign make?

Mr. Speaker: May be, but the figures asked for are about imports.

Shri H. V. Kamath: I am talking of imports and, my question was whether automobiles of Russian make are cheaper.

Mr. Speaker: He can ask the question, if he likes, as to the number of Russian made automobiles imported.

Shri H. V. Kamath: All right, Sir. Among the imports referred to in this Question, may I know how many automobiles of Russian make have been imported into this country?

The Honourable Shri K. C. Neogy: As far as I know, none.

Shri H. V. Kamath: Then my question follows.....

Mr. Speaker: It is out of the scope of the Question.

Shri H. V. Kamath: What is the reason for not importing?

DIRECT SHIPPING FACILITIES BETWEEN INDIA AND WEST INDIES

***1096. Shri V. C. Kesava Rao:** (a) Will the Honourable Minister of Commerce be pleased to state what shipping facilities are available for passengers going to the West Indies?

(b) Are any efforts being made to implement the recommendations of the Commonwealth Shipping Committee to have a direct link between India and the West Indies?

The Honourable Shri K. C. Neogy: (a) The Nourse Line operate a fleet of seven cargo steamers regularly in the India/West Indies trade to meet the requirements of that trade. The only facilities now available for passengers from India to West Indies are by these steamers each of which has a limited amount of passenger accommodation.

(b) The Commonwealth Shipping Committee made its report to the U.K. Government and it is understood that they are giving serious consideration to the recommendations made in that Report relating to the provision of direct shipping facilities between India and the West Indies.

INDIAN STUDENTS IN CHINESE UNIVERSITIES UNDER COMMUNIST CONTROL

***1097. Shri V. C. Kesava Rao:** (a) Will the Honourable the Prime Minister be pleased to state whether there are any Indian students in the Universities in China under the control of the Communists?

(b) What arrangements have been made to send remittances to them?

(c) Have any reports been recently received about their general welfare?

Dr. B. V. Keskar (Deputy Minister of External Affairs): (a) There are six Government of India scholars at the National Peking University.

(b) The Indian Embassy has deposited a certain amount of United States dollars to cover their expenses and to meet any emergency arising out of dislocation of communications.

(c) Yes; they are reported to be safe and well.

NON-COMPLIANCE WITH PROVISIONS OF FACTORIES ACT, 1948

***1098. Shri V. C. Kesava Rao:** Will the Honourable Minister of Labour be pleased to state whether any complaints have been received by Government about the non-compliance by industries of the provisions of the Factories

Act, 1948 regarding (i) Canteens and (ii) Leave with pay and if so, what action Government have taken in the matter?

The Honourable Shri Jagjivan Ram: No. I may add that the Factories Act, 1948, will come into force only from the 1st April, 1949.

Shri Harihar Nath Shastri: Are the Government aware that the ten days leave, as provided for in the Factories Act, has not been granted in certain establishments ever since a provision to that effect was made?

The Honourable Shri Jagjivan Ram: As my honourable friend is aware, the administration of the Factories Act is entirely in the hands of the Provincial Governments and we have not received any complaint to the effect the honourable member has been suggesting.

Shri B. Das: May I know if the giving effect to of the Factories Act by Provincial Governments and also by factory owners will cause a large amount of expenditure and that that is the reason why the Factories Act has not been given effect to in the Provinces?

The Honourable Shri Jagjivan Ram: That is not a fact. At every stage we consult the employers wherever we effect any amendment to the existing Acts, and the employers and industrialists were parties in the tripartite labour conference when amendments to the Factories Act were considered.

Shri R. L. Malviya: May I know how many cases were referred under the Factories Act to the industrial disputes tribunal?

The Honourable Shri Jagjivan Ram: As I explained, the administration of the Factories Act is entirely in the hands of the Provincial Governments and this detailed information can be had from them.

MIGRATION FROM WEST BENGAL TO EAST BENGAL

***1099. Shri K. Hanumanthaiya:** Will the Honourable Minister of Relief and Rehabilitation be pleased to state the number of people who have gone to East Bengal from West Bengal as refugees?

The Honourable Shri Mohan Lal Saksena: No figures are available but it is known that there has been no appreciable movement of population from West Bengal to East Bengal.

Sardar Bhopinder Singh Man: Has the property of those refugees who have left from West Bengal to East Bengal been declared as evacuee property?

The Honourable Shri Mohan Lal Saksena: No.

Sardar Bhopinder Singh Man: Why not, Sir?

The Honourable Shri Mohan Lal Saksena: Perhaps the honourable member is not aware that so far as East Bengal and West Bengal are concerned, there is no question of applying the provisions of the Evacuees Property Act.

Shri K. Hanumanthaiya: Are refugees still coming into the Indian Union from Pakistan?

The Honourable Shri Mohan Lal Saksena: The latest information is that there is no exodus at present.

Shri K. Hanumanthaiya: When did it stop?

The Honourable Shri Mohan Lal Saksena: I think it is difficult to give the exact date; but the reports since January have been that it is reduced, and it has now practically stopped.

Shri R. L. Malviya: How many refugees have been rehabilitated by Government from West Bengal?

The Honourable Shri Mohan Lal Saksena: May I know whether this arises from the question?

Mr. Speaker: If the honourable member has the information he may give it.

The Honourable Shri Mohan Lal Saksena: I have not got the information.

Shri Mahavir Tyagi: Are some of the refugees who had come from East Bengal to West Bengal now returning to their own homes? I mean, the refugees who had come from the Eastern Pakistan side, are some of them returning home now?

The Honourable Shri Mohan Lal Saksena: Yes.

Shri Deshbandhu Gupta: Are Government satisfied that the property left behind by refugees in East Bengal is treated in the same manner as the property left behind by refugees in West Bengal?

The Honourable Shri Mohan Lal Saksena: The honourable member, I think, must be aware that as a result of the settlement arrived at in January at the Karachi Conference. Joint Minority Property Boards have been set up both in West Bengal and in East Bengal.

Shri Mahavir Tyagi: May I know whether there was some exodus of Muslim residents in West Bengal towards East Bengal?

The Honourable Shri Mohan Lal Saksena: I have no information on the subject. There may have been cases where some Muslims might have gone.

Shri Jaspat Roy Kapoor: May I know the total number of refugees who have come from East Bengal to West Bengal?

The Honourable Shri Mohan Lal Saksena: I think, in answer to a previous question the other day, I had given the total number as about twenty lakhs.

Pandit Hirday Nath Kunzru: The Honourable Minister has stated that there is no appreciable movement of refugees from West Bengal back towards East Bengal; and also that refugees from East Bengal who are in West Bengal are beginning to go to East Bengal. May I know which of these two statements is true?

The Honourable Shri Mohan Lal Saksena: Both of them are correct. If out of 20 lakhs, five or ten thousands have gone, I do not consider it to be an appreciable number.

Shri K. Hanumanthaiya: Is Government intending to take steps to persuade Pakistan Government to take back any portion of the refugees?

The Honourable Shri Mohan Lal Saksena: As a matter of fact, efforts have been made by East Bengal Government to create conditions so as to make it possible for the non-Muslims to stay there; and as a result of the legislation setting up Minority Boards and Joint Managing Boards for Minority properties, I think conditions have improved.

Shri R. L. Malviya: Is the Government satisfied with these conditions and the progress made so far?

Mr. Speaker: That would be a matter of opinion.

Shri R. L. Malviya: May I know if Government has the intention of resettling these refugees in the Andaman Islands?

The Honourable Shri Mohan Lal Saksena: Some of the refugees have already gone to the Andaman Islands. But it is only 129 families that have gone, and only a small number can be settled in these islands. The rest will be settled in West Bengal and the neighbouring provinces.

EXPORT OF MONKEYS TO U.K.

*1100. **Shri H. V. Kamath:** Will the Honourable Minister of Commerce be pleased to state:

(a) whether it is a fact that 250 monkeys were recently exported from Calcutta to the United Kingdom; and

(b) if so, on what terms, and for what purpose?

The Honourable Shri K. C. Neogy: The question should have been addressed to the Honourable Minister of Finance. It has accordingly been transferred to the list of questions for 24th March 1949 when the Honourable Minister of Finance will answer it.

RESTORATION OF ABDUCTED WOMEN TO PAKISTAN

*1101. **Shri H. V. Kamath:** Will the Honourable the Prime Minister be pleased to state:

(a) how many abducted women have been recovered from India and restored to Pakistan up to date;

(b) whether the work is still in progress; and

(c) if so, the machinery and the *modus operandi* employed in connection with the work?

The Honourable Shri N. Gopalaswami Ayyangar: (Minister of Railways and Transport): (a) Up to 31st January 1949, 9,978 women and children were recovered from India and restored to their relatives in Pakistan.

(b) Yes.

(c) According to the latest agreement with Pakistan, the recovery of abducted persons is the responsibility of the Dominion where such persons are found to be residing. The actual recovery is done by the police of the Dominion concerned with the assistance of the social workers. About eight transit camps, in charge of social workers, are functioning in East Punjab, where the work is heaviest. Persons are sent to the nearest transit camp after recovery and from there they are brought to a base camp in Jullundur, which is under the control of Pakistan social workers. A similar camp, under the control of Indian social workers, is maintained in Lahore in the other Dominion for the same purpose. At these base camps, cases are further carefully investigated and the person concerned is ultimately restored to the original family wherever the family is traced. The assistance of a Search Service Bureau is available in tracing the families of abducted persons. If a dispute arises, the case is investigated by a tribunal consisting of two Superintendents of Police, one of each Dominion. The joint decisions of these officers, are duly implemented and the persons restored to the families concerned.

Shri H. V. Kamath: By some error, and I do not know how it crept in, the question here asks for only one way figure. My original question was for both figures, *i.e* how many were recovered by India and how many by Pakistan. Perhaps the figures are not ready.

The Honourable Shri N. Gopalaswami Ayyangar: As a matter of fact, according to the original version of the honourable member's question, I had the answer ready giving him the information he wanted. But the final form of the question had been changed, and therefore I had to change the answer as well. If the honourable member wishes to have the number of abducted women and children recovered from Pakistan, the figure is 5,671, up to 31st January, 1949.

Dr. Bakhshi Tek Chand: May I know whether it is a fact that according to Government report, the number of women abducted from India, in Pakistan is about 33,000?

The Honourable Shri N. Gopalaswami Ayyangar: That was a figure which was given to us some months ago, and later verifications have brought that figure down. It is difficult to say where we can place it at the present moment. It certainly is very much higher than 5,671 who have been recovered.

Shri H. V. Kamath: Does the latter figure include children?

The Honourable Shri N. Gopalaswami Ayyangar: Yes.

Shrimati G. Durgabai: May I know from the Honourable Minister, of these women who have been restored to India by Pakistan, how many have been sent back to their own homes and how many are in refugee camps?

The Honourable Shri N. Gopalaswami Ayyangar: 5,671 have been restored to their relations in India.

Shri Raj Bahadur: Is it a fact that most of the women returned by Pakistan to India are women of old or advanced age and not young women?

The Honourable Shri N. Gopalaswmi Ayyangar: Certainly a very substantial number of them are old women.

Shri Raj Bahadur: May I know the proportion, Sir, approximately?

The Honourable Shri N. Gopalaswami Ayyangar: I am afraid, I shall require notice.

Shri Deshbandhu Gupta: How many of these 5,671 were children and how many were women and whether there were any children in 9,978 restored to Pakistan?

The Honourable Shri N. Gopalaswami Ayyangar: As to that also I would not commit myself and I would like to have notice.

Shri Deshbandhu Gupta: Some rough idea?

The Honourable Shri N. Gopalaswami Ayyangar: I want notice.

MAJOR IRRIGATION PROJECTS UNDER CONSTRUCTION

*1102. **Shri Moturi Satyanarayana:** Will the Honourable Minister of Works, Mines and Power be pleased to state:

(a) what major irrigation projects are now under construction and development under the Control and management of the Central Government; and

(b) the total acreage likely to be irrigated by each project and the year in which each project will be completed?

The Honourable Shri Satyanarayan Sinha (Minister of State): (a) There are two such major projects under construction *viz.*, (i) the Hirakud Dam Project and (ii) the Damodar Valley Project. The former is in charge of Central Water power, Irrigation and Navigation Commission on behalf of the Government of Orissa and the latter in charge of the Damodar Valley Corporation. In addition, there are a number of other projects which are still in different stages of investigation.

(b) A statement showing the approximate readily available information is placed on the Table.

STATEMENT

Name of Project	Area likely to be irrigated (in acres)	Approximate time required for completion from the commencement of construction
Hirakud Dam Project	1,004,953	The dam and irrigation systems are programmed to be completed in 7 years and power installations in 15 years. It will, however, be possible to start giving both flow and lift irrigation in the fifth year.
Damodar Valley Project	9,00,000	5 years.
Kosi Project	18,00,000	11 years.
Narbeda Project	22,20,000	11 years (First stage in 3 years)
Tapti Project	4,80,000	8 years (First stage in 3 years)
C. P. and Baster State Projects	8,10,000	10 years (First stage in 3 years)
Sabarmati Project	60,000	4 years
Coorg Project	6,000	3 years

Shri Brajeshwar Prasad: May I know what are those projects which are still under consideration?

The Honourable Shri Satyanarayan Sinha: Apart from the Hirakud Dam and Damodar Valley Projects, the projects under consideration are the Kosi Project, Narbada Project, Tapti Project, C.P. and Baster State Projects, Sabarmati Project and Coorg Projects.

Seth Govind Das: May I ask whether any of them are going to be taken in hand and has any plan been made?

The Honourable Shri Satyanarayan Sinha: This does not arise.

Shri Mahavir Tyagi: Is it a fact that the headquarters of the Damodar Valley Corporation is at Calcutta and not on the scene of the valley?

The Honourable Shri Satyanarayan Sinha: Temporarily, Sir, it is in Calcutta.

Shri Mahavir Tyagi: How far is it from the Damodar Valley, Sir?

Mr. Speaker: Order, order. Next question.

STRIKES IN COAL MINES

†*1103. **Shri S. Negappa:** (a) Will the Honourable Minister of Labour be pleased to state the total number of strikes in the Coal Mines of the country during the last financial year?

(b) What were the demands of the strikers?

(c) What is the quantity of coal production that was lost due to these strikes?

The Honourable Shri Jagjivan Ram: (a) 157.

(b) The demands of the workers mainly related to (i) Implementation of the recommendations of the Conciliation Board, (ii) Increase in wages, (iii) Recognition of Unions, (iv) Re-instatement of discharged persons, (v) Payment of wages for the strike period, (vi) Payment of bonus, (vii) Abolition of the contract system and (viii) Supply of food-grains.

† Answer to this question laid on the table, the questioner being absent.

(c) No precise data in regard to the loss of production on account of strikes are available. It is, however, estimated that the loss in production was roughly 2¼ lakhs tons.

KEROSENE OIL QUOTAS FOR PROVINCES

*1104. **Dr. Mono Mohan Das:** (a) Will the Honourable Minister of Works, Mines and Power, be pleased to state how the kerosene oil quotas for different Provinces are fixed?

(b) Is it done on the basis of population?

(c) Is there any all India standard for the distribution of kerosene oil per head in rural areas?

The Honourable Shri Satyanarayan Sinha (Minister of State): (a) Quotas are based on the 1941 offtake and allotted as between the respective areas fed from each main port and from Digboi. Thus for example the total availability for the first quarter of 1949 being 109 per cent. of 1941 consumption, each main port area and Assam will receive 109 per cent. of its offtake in 1941.

(b) No.

(c) No.

Dr. Mono Mohan Das: May I know what are the causes of the present scarcity of kerosene oil in India, especially in the rural areas?

The Honourable Shri Satyanarayan Sinha: The causes are (1) transport facilities and (ii) the shortage of tin plate in which kerosene is generally packed.

Dr. Mono Mohan Das: May I know what quantity was supplied in the pre-war days and what is supplied in the present times?

The Honourable Shri Satyanarayan Sinha: In 1941 it was 6,80,490 tons and the half-yearly figure for 1949 is 7,44,000 tons. The supply has improved at least this year by say 10 or 15 per cent.

Dr. Mono Mohan Das: What percentage of our present need in kerosene oil is met by local produce?

The Honourable Shri Satyanarayan Sinha: I would like to have notice.

Seth Govind Das: As this quota has been fixed according to the consumption of 1941 and as conditions have changed since then, is there any proposal to revise this quota?

The Honourable Shri Satyanarayan Sinha: There is no such proposal before the Government, but if the honourable member is very keen, Government might consider it.

Shri Deshbandhu Gupta: Is it a fact that during the month of February no kerosene oil was issued to Delhi and all the quotas were suspended?

The Honourable Shri Satyanarayan Sinha: Might be, Sir.

Shri Raj Bahadur: Does the provincial quota include supply to railway stations also?

The Honourable Shri Satyanarayan Sinha: No, Sir.

Shri R. K. Sidhva: What is the present position of the stock of kerosene oil in the various ports in India?

The Honourable Shri Satyanarayan Sinha: I would like to have notice.

Shri R. K. Sidhva: I want to know whether there is any shortage about bulk supply?

Mr. Speaker: The Honourable Minister has no idea, he wants to have notice

Shri Raj Bahadur: What is the quantity of oil supplied to the railways?

The Honourable Shri Satyanarayan Sinha: I want notice, Sir.

NATIONALISATION OF BURMA OIL COMPANY IN INDIA

*1105. **Srijut Kuladhar Chaliha:** Will the Honourable Minister of Works, Mines and Power, be pleased to state whether Government are going to nationalise the Burma Oil Company of India and if so, what will be the sum involved in buying up the petroleum wells at Digboi and other places in Assam?

The Honourable Shri Satyanarayan Sinha (Minister of State): The answer is in the negative.

BAN ON IMPORT OF RAW SILK

*1106. **Shri R. K. Sidhva:** (a) Will the Honourable Minister of Commerce be pleased to state whether it is a fact that the import of raw silk into India from foreign countries is banned and if so, since when and why?

(b) Is it a fact that despite this ban, a large quantity of raw silk is imported at Calcutta port and if so, what is the quantity so imported and what are the reasons for allowing such import?

(c) What are the prices of indigenous raw silk and imported raw silk?

(d) What is the annual consumption of raw silk in India?

(e) Was any import of raw silk made at the port of Okha?

(f) If so, what was the quantity and were complaints lodged that it was an illegal import?

(g) Is there any ban on import of silk piece-goods from foreign countries?

(h) If not, what are the reasons for continuing the ban on import of raw silk?

The Honourable Shri K. C. Neogy: (a) Yes. Imports of raw silk from countries other than U.K. British Colonies and Dominions were stopped from the 22nd January and from all other sources from the 1st July 1948, for the following reasons:

(i) the indigenous production of raw silk was more than 50 per cent. of the total demand;

(ii) Licences already issued during the preceding period were quite large; and

(iii) Government had arranged to purchase 4 lakhs lbs. of raw silk from Japan.

(b) Information so far available shows that some imports were made during 1948, but they were against (i) licences issued up to 21st January 1948 from Non-Empire countries and (ii) those issued up to 30th June 1948 for imports from Empire countries.

(c) The prices of indigenous and imported raw silk are as follows:

Indigenous—About Rs. 32 per lb.

Imported (c.i.f. values, *i.e.* excluding customs duty and surcharges)—

Italy	About Rs. 11 per lb.
Hongkong	About Rs. 15 per lb.
Japan	About Rs. 15 per lb.

(d) Four million pounds.

(e) and (f). Yes. 73,890 lbs. valued at Rs. 9,82,845/-. The Government received an anonymous complaint in respect of these imports, but investigation in the matter revealed that these were made against a licence duly granted by the Import Trade Controller, Okha.

(g) and (h). No. Imports of silk piecegoods from soft currency countries are covered by Open General Licence while imports from Japan are subject to monetary ceiling. Imports from dollar and hard currency countries are prohibited. Government are considering the policy in regard to imports of raw silk and the Tariff Board Report on the claim of the Sericulture Industry for protection is under consideration.

Shri R. K. Sidhva: The Honourable Minister stated that the import of raw silk was banned but because licenses were issued, therefore they were allowed to be imported into the Calcutta Port. May I know when the ban was imposed any provision was made that for the purpose of import licences which have been granted, imports under the said licenses would be allowed?

The Honourable Shri K. C. Neogy: As a matter of fact, the import was made on the strength of a licence that had been issued before the ban was imposed and the import from that point of view could not be called illegitimate.

Shri R. K. Sidhva: In what months these imports were allowed?

The Honourable Shri K. C. Neogy: I have not got the months here.

Shri R. K. Sidhva: May I know, Sir, whether the Calcutta Customs held over these goods which arrived there and did not allow to pass unless penalty was paid subsequently they released shipment?

The Honourable Shri K. C. Neogy: My honourable friend has raised an issue on which I should like to make a somewhat detailed statement. There have been protests against certain shipments of raw silk that arrived at the Calcutta Port. The licences which were issued in this regard permitted the import of raw silk produced in Hongkong only. Now it was represented to us that the raw silk imported against these licences was not of Hongkong origin but was of either Japanese or Chinese origin. The point is now being enquired into as to whether the raw silk was of Hongkong origin or otherwise. It appears that Hongkong produces very little raw silk, but the silk that has been imported has been processed there, *i.e.*, given some chemical treatment. All this is being investigated locally by our representative in the Far East. Meanwhile clearance of the goods has been allowed on the importers executing a bond that if the silk is found to be not of Hongkong origin, a penalty equal to 100 per cent. of the value of the goods would be collected from them.

Shri R. K. Sidhva: May I know what is the production of raw silk in Hongkong? May I also know when the Honourable Minister stated that it was processed, does it not mean that it is to be treated as yarn and why was it allowed to be imported?

The Honourable Shri K. C. Neogy: The indication given on the packages was that all these were of Hongkong origin.

Shri R. K. Sidhva: May I know what profit did the importer make by this smuggling of yarn?

The Honourable Shri K. C. Neogy: I am not in a position to say that, but they will have to pay hundred per cent. of the value by way of penalty if it is proved that the yarn was not actually of Hongkong origin.

Shri R. K. Sidhva: Is it not a fact that the importer concerned made a profit of Rs. 40 lakhs.....

Mr. Speaker: Order, order. That is not a permissible question.

Shri R. K. Sidhva: May I know how many bales were imported to Okha?

The Honourable Shri K. C. Neogy: I have already given my honourable friend the quantity, *viz.*, 73,896 lbs.

Shri R. K. Sidhva: Was any penalty imposed there?

The Honourable Shri K. C. Neogy: Well, Okha is an Indian State. Our control over the transactions there is not so complete as over the transactions in Indian ports.

Shri R. K. Sidhva: But were not the Customs people aware of this and did they not hold this up for sometime and subsequently released it?

The Honourable Shri K. C. Neogy: I do not know that.

Shri R. K. Sidhva: Was not the attention of the Government drawn to this by a firm in Bombay, Tribhawandas & Co. stating that this smuggling was going on on a large scale and must be stopped?

The Honourable Shri K. C. Neogy: I have already stated that it was on receipt of anonymous complaint that an enquiry was made.

Shri R. K. Sidhva: I am giving the names of the people who made such a representation. Was such a representation received?

Mr. Speaker: Order, order. The Honourable Minister said that an anonymous representation was received.

Shri R. K. Sidhva: I am giving the name of the person who made the representation?

The Honourable Shri K. C. Neogy: I shall look into it. But then the first complaint was an anonymous complaint.

AUCTION OF TREES IN M.C.A. QUARTERS

*1107. **Shrimati Dakshayani Velayudhan:** Will the Honourable Minister of Works, Mines and Power be pleased to state:

(a) the number of trees that were cut and auctioned in 1948 from the premises of the M. C. A. Quarters by the Central Public Works Department,

(b) to whom they were auctioned; and

(c) the amount realised from the same?

The Honourable Shri Satyanarayan Sinha (Minister of State): (a) Twelve.

(b) Private individuals.

(c) Rs. 580.

CLOSING OF BIJAI COTTON MILLS AT BIJAINAGAR IN AJMER-MERWARA

*1108. **Shri Balwant Sinha Mehta:** (a) Will the Honourable Minister of Labour be pleased to state whether it is a fact that the Proprietors of Bijai Cotton Mills at Bijainagar in Ajmer-Merwara closed their mills for about a month when certain demands were made by the labourers?

(b) Are Government making any enquiry into the matter?

(c) Is the scale of wages for labourers in Ajmer-Merwara the same as in Delhi and Coorg?

(d) If not, what is the difference and what is the reason for the existence of such a difference?

The Honourable Shri Jagjivan Ram: (a) No. The Mills closed down on the 31st January, 1949 on account of accumulation of stocks on hand and difficulty in securing the supply of cotton. A tussle was however going on between the management and workers on the question of increase in wages and dearness allowance.

(b) Enquiries have been made and Government are informed that the dispute with the labour leaders has been amicably settled.

(c) and (d). I think comparison is sought in regard to textile workers. There are no textile mills in Coorg. As regards Delhi, the scales of wages are somewhat higher than those prevailing in Ajmer-Merwara. This probably reflects the difference in the cost of living between the two areas.

TREATY OF FRIENDSHIP AND COMMERCE WITH U.S.S.R.

*1109. **Shri H. V. Kamath:** Will the Honourable the Prime Minister be pleased to state:

(a) whether the Union of the Socialist Soviet Russia has approached India for a treaty of friendship and commerce;

(b) if so, what stage has the matter reached; and

(c) if not, whether such a treaty of friendship with the Union of the Socialist Soviet Russia is under Government's active consideration?

Dr. B. V. Keskar (Deputy Minister of External Affairs): (a) to (c). No formal approach has been made for a Treaty of Friendship and Commerce between India and the U.S.S.R. The possibility of closer commercial relations with the U.S.S.R. has, however, been under consideration. From time to time specific agreements with regard to the exchange of commodities have been made. Negotiations are expected to start shortly for a more comprehensive trade agreement between India and the U.S.S.R.

Shri H. V. Kamath: In view of the swifty moving world events, does India seek a treaty of friendship or pact of non-aggression with the U.S.S.R.?

Dr. B. V. Keskar: A proposal for having a treaty of friendship not only with the U.S.S.R. but with other countries also has always been under the consideration of Government.

Shri H. V. Kamath: Has Marshal Stalin invited our Prime Minister to Moscow, as President Truman has done?

Dr. B. V. Keskar: I am not aware.

Shri H. V. Kamath: Does the Honourable the Prime Minister, in pursuit of his valiant search for world peace, propose to invite President Truman and Marshal Stalin to India?

Dr. B. V. Keskar: No such proposal is at present under consideration.

Shri Raj Bahadur: May I know whether there have been serious hostile comments against India in the Soviet Press?

Mr. Speaker: I do not think I can allow that question.

Shri H. V. Kamath: What are the relation between our Ambassador and the U.S.S.R.?

Mr. Speaker: The question is too vague to be answered.

ACTIVITIES AND ACHIEVEMENTS OF MICA MINES LABOUR WELFARE FUND COMMITTEE AT KODARMA IN BIHAR.

*1110. **Babu Ramnarayan Singh:** Will the Honourable Minister of Labour be pleased to state:

(a) the present activities and also the achievements hitherto obtained of the Mica Mines Labour Welfare Fund Committee at Kodarma in the district of Hazaribagh in Bihar;

(b) the amount hitherto collected, the amount hitherto spent and also the objects for which the expenditure was incurred; and

(c) whether a hospital is going to be established by the Welfare Committee at Telaiya some eight or nine miles from Kodarma which is the centre of mines and if so, for whose benefit?

The Honourable Shri Jagjivan Ram: (a) Two dispensaries have been opened one at Dhab and another at Dhorakola. Ten beds have been reserved at the Kordarma hospital for treatment of the mica mines labour for which an annual grant of Rs. 13,000 is given to the hospital authorities. It is proposed to provide shortly two mobile medical units to visit mica mines for treatment of workers. It is also proposed to set up a Central Hospital and Child Welfare Clinic at Karma and land required for the purpose is being acquired. A mobile shop has been started which supplies consumer goods to mica mines labour at comparatively cheaper prices. To supplement the existing source of water in the mica mines areas it is proposed to open, to start with, four wells at different places. Vegetable seeds are distributed among the workers with a view to encouraging them to grow more vegetables for their consumption. A scheme for implementing anti-malaria measures in the mica mines areas is being prepared. It is also proposed to provide a mobile cinema for the benefit of the workers.

(b) The income and expenditure of the Mica Mines Labour Welfare Fund for Bihar during 1946-47 to 1948-49 are as follows:

	Income	Expenditure
	Rs.	Rs.
1946-47 (actuals)	3,22,756	*Nil*
1947-48 (actuals)	9,31,746	9,023
1948-49 (estimated)	6,95,000	2,03,777

Expenditure has hitherto been incurred towards provision of medical facilities, running of mobile shop, acquisition of lands, supply of vegetable seeds, and establishment.

(c) It is proposed to set up a Central Hospital at Karma about four miles from Kodarma and over a mile from Telaiya for the benefit of the mica mines labour. The site has been approved by the Bihar Mica Mines Labour Welfare Fund Advisory Committee and steps have been taken to acquire the land.

Babu Ramnarayan Singh: As regards the proposal for hospital at a place near Telaiya, is the Honourable Minister aware that that place is far away from the mica mines and the residences of the miners?

Mr. Speaker: What is the question. The honourable member is giving information about the distance. What is the information the honourable member wants?

Babu Ramnarayan Singh: My question is whether the Honourable Minister is aware of the distance between the mica mines and the proposed hospital.

Mr. Speaker: The honourable member suggests that the hospital and the residences of the miners are very distant. But what is the information he wants now?

Babu Ramnarayan Singh: At whose instance was this hospital being proposed there?

The Honourable Shri Jagjivan Ram: As I have already stated, the proposed site is only four miles from Kodarma and one mile from Telaiya, both of which are important centres of mica mines. The site was selected at the instance of

the Mica Mines Welfare Fund Advisory Committee on which both the employers and workers are represented. So the selection was made at the instance of the workers as well.

Shri Harihar Nath Shastri: I want to know if it is proposed to spend any part of the said funds towards the construction of houses and if so what amount and for how many houses during the next year?

The Honourable Shri Jagjivan Ram: At present there is no proposal for the construction of houses for mica labour out of this fund. The income from the mica cess is very small and we do not want to spend any portion of this income on Housing. Moreover, the majority of the workers in the mica mines are from the neighbouring villages and they have got their own houses. Certain persons have not got their own houses and we are getting the employers to construct houses for them.

Babu Ramnarayan Singh: The Honourable Minister stated that the proposed hospital is four miles away from Kodarma which is the mica mine centre. May I know how mica miners will benefit from that hospital?

The Honourable Shri Jagjivan Ram: There are so many mines. My honourable friend is also in the know of the locality as well as myself. I can safely assure him that the site of the hospital is very convenient to the labour.

ABOLITION OF COMMUNAL CANTEENS IN GOVERNMENT OFFICES

*1111. **Pandit Mukut Bihari Lal Bhargava:** (a) Will the Honourable Minister of Works, Mines and Power be pleased to state whether it is a fact that in the various Departments of the Government of India separate canteens and restaurants are being maintained for different communities?

(b) Do Government propose to consider the advisability of taking steps to abolish the said communal canteens and restaurants and if so, how soon, and if not, why not?

The Honourable Shri Satyanarayan Sinha (Minister of State): (a) No.

(b) Does not arise.

Shri H. V. Kamath: Is there any canteen at all attached to any Department of the Government of India?

The Honourable Shri Satyanarayan Sinha: There are several hostels which are under the control of the Government of India, but no canteen is run by the Government of India.

Shri R. K. Sidhva: May I know whether in the Secretariat there are Canteens, Hindu Refreshment Rooms and Muslim Refreshment Rooms? If that is so, may I know whether Government intend to do away with this communal element?

The Honourable Shri Satyanarayan Sinha: There is no such canteen run on communal lines.

Shri H. V. Kamath: Is the Minister of State aware that the Health Ministry runs a canteen?

The Honourable Shri Satyanarayan Sinha: The honourable member must ask the Health Minister.

Shri H. V. Kamath: The various Departments are mentioned here in the question.

Mr. Speaker: It is not the concern of his Ministry.

Shri H. V. Kamath: Is there any canteen at all run by any Government Department?

Mr. Speaker: He is not aware.

EXPLOITATION OF MINERAL DEPOSITS IN BASTER STATE

*1112. **Shri R. L. Malviya:** (a) Will the Honourable Minister of Works, Mines and Power be pleased to state what mineral deposits have been found in Baster State (merged with the Central Provinces)?

(b) How many of these minerals are found in commercial quantities?

(c) What is the plan of Government to exploit these minerals, and what will be the cost of development of industries there?

(d) How long would these industries take to start?

The Honourable Shri Satyanarayan Sinha (Minister of State): (a) The Main economic minerals are iron-ore, Bauxite and Lime stone. Mica Magnetite and several other minerals also occur in small quantities.

(b) Iron-ores, bauxite and Lime-stone.

(c) and (d). Further investigation of the iron-ore deposits in Bastar State has been taken up by the Geological Survey of India this year. The Development of industries is mainly the responsibility of the Province, and the required information is not available. The State is rather inaccessible, and before any development projeet can be taken in hand, the country will require to be opened up by the construction of roads and railways.

GENERATION OF HYDRO-ELECTRIC ENERGY IN BASTER STATE

*1113. **Shri R. L. Malviya:** (a) Will the Honourable Minister of Works, Mines and Power be pleased to state whether Government propose to erect a plant to generate hydro-electric energy in Baster State?

(b) If so, how far have Government proceeded with the plan?

(c) Which place have Government selected for the erection of the plant?

(d) The information will be available only after the completion of the preliminplete it?

The Honourable Shri Satyanarayan Sinha (Minister of State): (a) Yes. A proposal is under examination to develop the Indravati and Sabri rivers in the Bastar State for purposes of irrigation and generation of electric power.

(b) Preliminary investigations have just been taken in hand.

(c) No site has been selected so far.

(d) The information will be available only after the completion of the preliminary investigations.

Seth Govind Das: By what time is it expected that this preliminary survey will be completed and by what time do Government expect a report on this?

The Honourable Shri Satyanarayan Sinha: Two or three years.

EXPLOITATION OF MINERAL DEPOSITS IN SURGUJA DISTRICT IN C. P.

*1114. **Shri R. L. Malviya:** (a) Will the Honourable Minister of Works, Mines and Power be pleased to state what mineral deposits have been found in the Surguja District (consisting of Surguja, Korea and Changbhakher States merged with the Central Provinces)?

(b) How many of these minerals are found in commercial quantities?

(c) What steps have Government taken or do they propose to take to exploit these minerals?

The Honourable Shri Satyanarayan Sinha (Minister of State): (a) and (b). The following minerals are known to occur in the areas referred to:

Surguja State.—Coal, Bauxite and Mica in commercial quantities. Lime Stone, Clay, Ochre, etc., in small quantities.

Korea State.—Excepting coal which is already being worked, there is no other mineral of economic importance.

Changbhakhar State.—Building stones, clays, iron ores, mineral pigments and coal, but none of them is present in workable quantity.

(c) The three areas referred to were surveyed by the Geological Survey of India in 1943, 1942-43 to 1944-45 and 1943-44, respectively. The investigation of coking coal in Surguja and Korea States has been included in the current field programme. The actual exploitation of mineral resources is, however, mainly the responsibility of Provincial Governments or of private enterprise.

Shri Kishorimohan Tripathi: Did Government undertake any survey to find out the existence of mineral deposits in other C.P. States, and if so, with what results?

The Honourable Shri Satyanarayan Sinha: So far we have no information about other States. About Bastar of course, Government is making the geological survey.

Shri H. V. Kamath: What concrete steps have been taken for the utilisation of these mineral deposits since the survey was completed in 1944-45?

The Honourable Shri Satyanarayan Sinha: I would like to have notice.

Shri Kishorimohan Tripathi: Have Government any information about the existence of deposits of kerosene in Raigarh State among the C.P. States?

The Honourable Shri Satyanarayan Sinha: I think he is giving us information.

SURVEY OF PLACES IN C.P. FOR TRANSFER OF CERTAIN CENTRAL OFFICES

*1115. **Shri R. L. Malviya:** (a) Will the Honourable Minister of Works, Mines and Power, be pleased to state which cities or places in the Central Provinces are under consideration of Government for transfer of certain Central Offices, if any?

(b) Has any survey been made by Government and if so, what cities and places have been surveyed and with what results?

(c) Has any representation been made to Government by Dr. Hari Singh Gour for transfer of some of the Central Offices to Saugor in the Central Provinces and if so, what are his main points of recommendation in favour of Saugor?

(d) Do Government propose to transfer some of the Central Offices to Saugor and if so, what are those offices?

The Honourable Shri Satyanarayan Sinha (Minister of State): (a) and (b). Certain preliminary enquiries were made about the suitability of a number of centres in the Central India, for the purpose of location of some Central Government offices. The places in the Central Provinces about which enquiries were made, were Betul, Saugor, Chhindwara, Jubbulpore and Itarsi. No detailed survey of any of these places was made.

(c) and (d). A letter on the subject was received from Sir Hari Singh Gour and his view was that from the geographical, climatic and strategical point of view, Saugor was an ideal centre. Government have not yet decided whether any and if so, what offices should be located at Saugor.

Seth Govind Das: May I take it that this question is still under consideration?

The Honourable Shri Satyanarayan Sinha: Yes, Sir.

Shri R. K. Sidhva: May I know whether there is any electric generation plant in Saugor?

The Honourable Shri Satyanarayan Sinha: I want notice.

Shrimati G. Durgabai: May I know whether any final decision has been taken on the location of the Federal Court and whether the proposal to have it in Allahabad has been finally abandoned?

The Honourable Shri Satyanarayan Sinha: No, it has not been.

Shri K. Hanumanthaiya: Will Government be pleased to give an opportunity to this House to express its views on the issue of the location of the capital?

The Honourable Shri Satyanarayan Sinha: Does he want a day to be allotted to discuss this matter?

Shri K. Hanumanthaiya: Yes, Sir. Even a day would be better.

Mr. Speaker: Government will consider the matter.

Shri H. V. Kamath: Were any experts or other officers deputed from here to examine the suitability of these four or five places mentioned in the answer?

The Honourable Shri Satyanarayan Sinha: I do not know what he means by "experts". Of course, when people are sent to examine the places, they are considered to be experts.

Shri H. V. Kamath: But who were sent from here?

Mr. Speaker: He wants to know the name of the officer—can the Minister give the name of persons who were sent?

The Honourable Shri Satyanarayan Sinha: No, Sir.

Shri Deshbandhu Gupta: May I know at whose instance these surveys were made?

The Honourable Shri Satyanarayan Sinha: Government, Sir.

Shri Deshbandhu Gupta: May I know whether the initiative was taken by the C.P. Government or by the Central Government?

The Honourable Shri Satyanarayan Sinha: By both.

Shri Mahavir Tyagi: In locating these offices, is it only the urban areas which are taken into Government's consideration or rural areas also?

The Honourable Shri Satyanarayan Sinha: The difficulty is felt about urban areas, what to say of rural areas.

Shri H. V. Kamath: Did Dr. Hari Singh Gour state in his representation in what respects Saugor excels the other places?

Mr. Speaker: I am afraid he should refer to the representation of Dr. Hari Singh Gour.

Shri H. V. Kamath: It is with the Government.

The Honourable Shri Satyanarayan Sinha: I have not got the letter with me, but if he is very keen about it, I would let him have it later.

Shri Deshbandhu Gupta: May I know whether it is not the considered view of the Government of India that so far as the question of the capital is concerned, no change is contemplated?

The Honourable Shri Satyanarayan Sinha: Yes, Sir. At present.

UNSTARRED QUESTIONS AND ANSWERS

NUMBER OF REFUGEES IN CAMPS

90. Sardar Hukam Singh: Will the Honourable Minister of Relief and Rehabilitation be pleased to state what was the total number of refugees from West Punjab received in camps (i) run by the Government of India; and (ii) run by the Provincial Governments after 15th August, 1947?

The Honourable Shri Mohan Lal Saksena: The honourable member is referred to the reply given by me to part (a) of Starred Question No. 115 by Giani Gurmukh Singh Musafir on the 3rd February, 1949. Further break up of figures is not immediately available.

Assets of Evacuees in East and West Punjab

91. Sardar Hukam Singh: Will the Honourable Minister of Relief and Rehabilitation be pleased to state what are the total assets left in:

(a) West Punjab by non-Muslims who have migrated to India after partition; and

(b) East Punjab by Muslims who have migrated to Pakistan?

The Honourable Shri Mohan Lal Saksena: (a) and (b). The information is not available.

Expenditure on East Bengal Refugees

92. Shri K. Hanumanthaiya: Will the Honourable Minister of Relief and Rehabilitation be pleased to state the amount of money expended on refugees who have come to West Bengal from East Bengal by (i) the Government of India and (ii) the Government of West Bengal?

The Honourable Shri Mohan Lal Saksena: The honourable member is referred to the reply given by me to part (a) of Starred Question No. 773 by Shri Anantbasayanam Ayyangar on the 1st March, 1949.

Import of Tractors and other Agricultural Machines

93. Dr. Mono Mohan Das: (a) Will the Honourable Minister of Commerce be pleased to state how many tractors and other agricultural machines have been imported into this country during the year 1948?

(b) What is the total cost of these machines?

(c) How many of these machines have been taken by the Government of India for their use?

The Honourable Shri K. C. Neogy: (a) to (c). I lay on the table of the House a statement containing the required information.

STATEMENT

Import of Agricultural Machinery into India

Agricultural Machinery	January to December 1948
	(Value in lakhs of rupees)
(i) Agricultural tractors and parts	163·6
(ii) Ploughs and parts	37·3
(iii) Other sorts	21·8

NOTE.—The number of agricultural tractors etc. imported is not separately recorded in the sea-borne Trade Returns.

Number of Agricultural Machinery taken over by Government

In 1948 the Ministry of Agriculture obtained the following agricutural equipment from North America. These were purchased and shipped to India by the India Supply Mission, Washington.

Description	Quantity	Country of origin	Value (Approx.) (In lakhs of rupees)
	Nos.		
Tractors	207	U.S.A.	33·2
Sprayers Power	2	Do.	0·2
Harvester Combines	25	Do.	2·8
Harvester Combines	25	Canada	3·0
Agricultural implements (various types)	15	U.K.	0·9
Do.	20	Canada	0·3
Do.	79	U.S.A.	1·6

The following equipment was obtained, through the Director General, Industry and Supply, from firms in India :

Description	Quantity	Country of Origin	Value (Approx.)
	Nos.		(in lakhs of rupees)
Tractors	120	U.K.	9·8
Tractors	42	Canada	2·3
Tractors	49	U.S.A.	3·6
Agricultural implement (various types)	220	U.K.	2·3
Agricultural implement (various types)	50	Canada	0·6

NOTE.—Of the 418 tractors obtained from the India Supply Mission and from firms in India, 248 have been taken by the Central Tractor Organisation of the Ministry of Agriculture and 170 have been supplied to the Provincial and State Governments.

STATEMENTS LAID ON THE TABLE

[INFORMATION PROMISED IN REPLY TO CERTAIN QUESTIONS DURING THE CURRENT AND PREVIOUS SESSIONS OF THE CONSTITUENT ASSEMBLY OF INDIA (LEGISLATIVE) LAID ON THE TABLE OF THE HOUSE TODAY]

Diwan Chaman Lall's Starred Question No. 35 (b) of 30th March, 1948.

COMMODITIES DE-CONTROLLED AND THEIR PRICES BEFORE AND ON 10TH JANUARY, 1948

PRICES OF COMMODITIES

S. No.	Commodity	Price before decontrol	Price on 10th January, 1948	Remarks
1	2	3	4	5
1	*Machine Tools*—	Rs.	Rs.	
	Lathes Cone Pulley—			
	6½ × 4½'	2,856 each	2,750 each.	Grade I Machine Tools prices have been quoted. They, however, vary with different manufacturers.
	8" × 7'	5,254 each	4,890 each.	
	10½" × 10'	5,520 each	7,000 each.	
	Lathes all geared—			
	10½" × 8'	18,100 each	20,790 each.	The items furnished are a broad classification of machine tools.
	12½" × 6'	26,809 each	25,650 each.	
	Drilling Machine—			
	1½ Pillar type	2,740 each	2,800 each.	
	Herbert 'O' type	1,959 each	2,498 each.	
	Shaping Machine—			
	20" Stroke	4,920 each	5,350 each.	
	24" Stroke	5,780 each	6,140 each.	
	Chucks—			
	6" Self-centring	250 each	150 each.	
	9" Self-centring	345 each	200 each.	
	8" 4-Jaw Independent	135 each	115 each.	
	10" 4-Jaw Independent	220 each	145 each.	
	12" 4-Jaw Independent	280 each	185 each.	
	14" 4-Jaw Independent (Indigenous)	345 each	210 each.	
	Herbert India 6½" Centre × 6' Bed Lathe	2,184 each	3,813 each	Not current price as the firm do not want to quote till the award of the Government of W. Bengal on labour is known.
	Kirloskar 6½" Centre × 6'6" Bed Lathe	3,897 each	2,900 each	Maximum Statutory price

1	2	3	4	5
1	Machine Tools—*contd.*	Rs.	Rs.	
	Kirloskar 8' Centre x 8' lathe with Norton Gear box	6,085 each	5,375 each	The costs were said to be much higher but the firms had to accept the statutory prices.
	Rapidor Hacksaws 6" x 6"	897 each	1,679 each	
	Rapidor Hacksaws 8" x 8"	1,010 each	1,781 each	
2	*Ferro Alloys*—			Information not available
3	*Cinematograph Films*—			
	Negative plus X Super XX Background X Duplicating positive	* 140 per roll of 1,000 ft.	140 per roll of 1,000 ft.	*Prices in November 1946
	Sound Recording and Duplicating positive	* 72 per roll of 1,000 ft.	72 per roll of 1,000 ft.	
	Positive B. & W.	* 65 per roll of 1,000 ft.	65 per roll of 1,000 ft.	
	Daylight loading spools 100 ft. negative	* 15-12	15-12	
4	*Imported Engineer stores.*—			
	Hacksaw blades Drills Twist	There were no fixed prices on any of the items. The control prices were based on landed cost, plus margin of profit which varied from 15 to 30%.	Landed cost plus 10 to 20% profit.	
	Milling, slotting and engraving cutters hobs.			
	Reamers. Metal Cutting Saws and Segments. Taps, Hand and Machine Dies Hand, Stocks and Dyes, Screw Plates. Chasers Hand, Slide, Rest and Machine. Lathe tools and all tips, tipped tools, diamond turning tools and H. S. S. Tool Holder bits. Sheer Blades. Files. Precision and Measuring instruments. Broaches. Cutters Glass. Expanders—Tubes Measuring Tapes.	There were no fixed prices on any of the items. The control prices were based on landed cost, plus margin of profit which varied from 15 to 30%.	Landed cost plus 10 to 20% profit.	

Ball and Roller Bearings—

These prices are for some of the well known sizes of ball bearings.

RIS—8	Rs. 3-3 each	Rs. 4 each
RIS—10	Rs. 4-8 each	Rs. 5-6 each
RIS—12	Rs. 6-2 each	Rs. 7 each
RIS—16	Rs. 8-8 each	Rs. 10-4 each
RIS—20	Rs. 12-7 each	Rs. 15-9 each
6304	Rs. 3-4 each	Rs. 3-9 each
6306	Rs. 4-2 each	Rs. 5-10 each
W2345	Rs. 8.12 each	Rs. 10.10 each
W2346	Rs. 15-4 each	Rs. 21.14 each

Electrodes—

	Per 100 feet			Per 100 ft.		
	Rs.	A.	P.	Rs.	A.	P.
Class 'A' size — 6 SWG	2	11	6	4	7	0
" " —10 SWG	2	11	6	2	8	0
Class 'B' " — 6 SWG	6	13	6	6	8	0
8 SWG	5	1	6	4	6	0
10 SWG	4	1	0	3	6	0
12 SWG	3	10	0	3	2	0
Class 'C' size — 6 SWG	10	15	0	13	14	0
8 SWG	8	12	6	11	3	0
10 SWG	6	14	0	9	3	0
12 SWG	5	14	0	8	4	0
Class 'D' size — 8 SWG	8	8	0	7	15	0
10 SWG	6	3	0	5	13	0
Class 'E' size — 8 SWG	9	15	6	8	8	6
10 SWG	8	6	6	6	8	0
12 SWG	6	14	6	5	7	0
Class 'F' size — 8 SWG	32	2	6	28	4	0
10 SWG	23	0	6	19	6	0
Class 'G' size — 6 SWG	12	9	0	11	6	0
8 SWG	9	6	0	8	8	0
10 SWG	6	9	0	6	15	0
Class 'H' size — 8 SWG	30	2	0	26	0	0

Wood Screws—

Brass	Rs. 3.3.0 (per inch) per gross	Rs. 2.14.0 (per inch) per gross approx.
Iron	Rs. 1-10 (per inch) per gross	Rs. 1-1 (per inch) per gross

1	2	3	4	5
5	*Non-ferrous Metals*—			
	Copper	Rs. 75 per cwt. (indigenous) Rs. 65 per cwt. (imported)	Rs. 92 per cwt.	Ceiling price under control order was Rs. 75 per cwt.
	Lead	Rs. 33.2.5 per cwt. Rs. 663 per ton	Rs. 85 per cwt.	Till the end of 1945 Govt. was the sole importer of lead, copper, zinc, tin and antimony. These metals were imported on Govt. account and issued to all the Government issue rates.
	Zinc	Rs. 28.14.5 per cwt. Rs. 578 per ton	Rs. 50 per cwt.	
	Tin	Still under control	Rs. 357 per cwt.	
	Aluminium	Still controlled by pool arrangements.	Rs. 101.5 per cwt.	
	Antimony	Rs. 250 per cwt. (indigenous) Rs. 143 per cwt. (imported)	Rs. 195 per cwt. (indigenous) Rs. 190 per cwt. (imported)	With effect from 16.1.48 the issue price is Rs. 417 per cwt. Private import is allowed since 17.1.47.
	Brass Ingots	Rs. 64 (for issue against Govt. demands) Rs. 70 (for issue to civil consumers)	Rs. 72.7	Ceiling price under control order was Rs. 70 per cwt.
	Ceiling Prices—			
	Brass Sheets	Rs. 110 per cwt.	Rs. 110/175 per cwt.	Prices vary according to gauge.
	Copper Sheets	Rs. 116 per cwt.	Rs. 150/155 per cwt.	
	Aluminium sheets	Still controlled by pool arrenge. ment	Rs. 148/150.5 per cwt.	
	Gun Metal Grade I (88/10/2)	Rs. 130 per cwt.	Rs. 135 per cwt.	*General remarks*—
	Gun Metal Grade II (85/5/5/5)	Rs. 111.8 per cwt.	Rs. 114 per cwt.	Excepting for very small quantities of copper, aluminium, lead and antimony produced in India, all requirements of non-ferrous metals are met from imports. Indian prices are, therefore mostly based on foreign quotations.
	Solder 50	Rs. 230.8 per cwt.	Rs. 255.8 per cwt.	
	Solder 40% (Hard)	Rs. 202 per cwt.	Rs. 224 per cwt.	
	Solder 40% (Soft)	Rs. 196 per cwt.	Rs. 216 per cwt.	
	White Metal 90%	Rs. 393.8 per cwt.	Rs. 438 par cwt.	
	White Metal 85%	Rs. 386.12 per cwt.	Rs. 429.4 per cwt.	
	White Metal 60%	Rs. 304 per cwt.	Rs. 336 per cwt.	
	White Metal 5%	Rs. 120 12 per cwt.	Rs. 123 per cwt.	
	Solder 30%	Rs. 180 per cwt.	Rs. 175.8 per cwt.	
6	*Brass and Copper Utensil*—			
	Brass Utensils	Rs. 1.8 to 2 per lb.	Rs. 1.14 to 2 per lb.	
	Copper Utensils	Rs. 1.8 to 2 per lb.	Rs. 2.8 to 2.8 per lb.	
7	*Aluminium Utensils*—			
	Aluminium Utensils	Rs. 2.2 to 2.12 per lb.	Rs. 2.12 to 3 per lb.	

8	*Drugs and Pharmaceuticals*—			After the withdrawal of the Drugs Control Order the prices of drugs and medicines had generally decreased by the 10th except that in the case of a few items the prices increased due to rise in the cost of raw materials.
9	*Bleaching Powder and Chloride*— Bleaching powder	Rs. 14 per cwt. (*Imported*) Rs. 25 per cwt. (indigenous)	Rs. 19/10 per cwt.	There was no price control but only distribution control.
10	*Rubber*— Raw Rubber	Please see list attached (Appendix 'E')	Please see list attached (Appendix 'F').	
11	*Cement*—	Rs. 80 per ton f.o.r. destination	Rs. 87-8 per ton f.o.r. destination	Since the withdrawal of D. of I. Rules on 30-9-46 cement control has been exercised informally with the co-operation of Cement Industry. The price was revised on 23-12-47 when it was Rs. 85 per ton f.o.r. destination.
12	*Wattle Bark and Wattle Extract*— Wattle Bark	Landed cost (Rs. 180 per ton) plus 10% margin allowed to importers	Present landed cost Rs. 250 per ton. Present price Rs. 275	Under Gentleman's agreement between importer and Directorate General of Industries and Supplies margin of 10% on landed cost continues. Distribution is also being controlled by the D.G.I. & S.
	Wattle Extract	Landed cost (Rs. 400 per ton) plus 20%	Rs 805 per ton.	
13	*Timber*— Sal	Logs Rs. 2 to 2-8 per c. ft. Sawn Rs. 3-4 to 3-12 per c. ft.	Logs Rs. 8 per c. ft. Sawn Rs. 8 per c. ft.	Timber prices vary according to species and also the size of scantlings. To indicate the trend of rise only the prices of sal have been given both for logs and

1	2	3	4	5
13	*Timber*—contd.			sawn timber of heavy station. The prices of smaller sections and other species have increased proportionately. The present price is, however, no indication of the effect of the decontrol. During June/July 1947, the price of sal logs was about Rs. 3.4 to 3-8 per c. ft. and that of sawn about Rs. 5 per c. ft. The sudden rise since then has been due to the fact that the price of Railway sleepers offered by the Railway Board was nearly double the previous year and immediately the prices of timber for civilian consumption and other Government Departments increased considerably.
14	*Cycle Tyres and Tubes.*—	These prices are the same as those given in the Deptt. of Industries and Supplies Notification No. 88/135 dated 14-5-46, copy attached. (Appendix 'A')	Please see list attached (Appendix 'B')	We have not so far allowed any import of cycle tyres and tubes and prices given relate to those of Indian manufacture only.
15	*Motor Car and Motor Cycle Tyres and Tubes*	Those prices are same as those given in the Deptt. of Industries and Supplies Notification No. 88/63 (14) dated 31.5.46, copy attached (Appendix 'C')	Please see list attached (Appendix 'D')	These prices relate to the tyres and tubes manufactured in India by the four tyre Coys. There are certain special types of tyres and tubes which are not manufactured in India and the demand for which is being met by imports. The prices of these tyres and tubes would depend on the landed cost in each case.
16	*Giant Tyres and Tubes*			
17	*Essential Stores for Jute Industry*—			
	(Imported)	Per Gross Rs. A. P.	Per Gross Rs. A. P.	
	Built Bobbins 12"×6"	488 12 0	560 0 0	
	10"×5"	263 8 0	312 12 0	

	6″×3½″	106 4 0	133 12 0
	4″×2·5/8″	79 8 0	95 8 0
Bobbin Ends	10″×6″	110 0 0	137 12 0
	10″×5″	73 0 0	91 8 0
	6″×3½″	35 0 0	44 0 0
	4″	26 4 0	32 12 0
(Indigenous)			
Built Bobbins	12″×6″	332 11 0	332 11 3
	10″×5″	195 8 0	195 8 0
	6″×3½″	76 12 0	76 12 0
	4″×2·5/8″	54 2 0	54 2 0
Bobin Ends	10″×6″	79 12 6	79 12 6
	10″×5″	52 5 3	52 5 3
	6″×3½″	25 6 0	25 6 0
	4″	19 3 0	19 3 0
Plantree Rollers (Imported)		239 5 0	320 0 0
(Indigenous)		191 7 6	199 7 3
Loom Swell Wood 18″ (Imported) Unfinished		111 1 0	145 0 0
(Indigenous) Unfinished		111 1 0	145 0 0
Loom (Imported) Finished 20″		125 2 0	156 0 0
Loom (Indigenous) Finished 20″.		125 2 0	156 0 0
Spool Centres (Imported) 9·8/4″ × 1·5/8″		53 12 0	67 12 0
(Indigenous)		53 12 0	67 12 0
(Imported) 9·4/4″ × 1½″	″	43 12 0	54 12 0
(Indigenous)	″	43 12 0	54 12 0
Lay Box Backs (imported)	″	43 3 3 (per dozen)	43 3 3 (per dozen)
(Indigenous)	″	43 3 3 ″	43 3 3
Spiral Sewing Machines needles R. & O. & D. J. M. (Imported)		18 0 0 ″	25 0 0
(Indigenous)		18 0 0 ″	25 0 0
Pickers (Imported)		85 0 0 (per pair)	85 0 0 (per pair)
(Indigenous)		85 0 0 ″	85 0 0 ″
Martingale Strapping (Imported)		5 0 0 (per lb.)	5 4 0 (per lb.)
(Indigneous)		5 0 0 ″	5 4 0 ″
Picking Straps (Butt) (Imported)		8 2 0	Not quoted
(Indigenous)		6 2 0	Not quoted
		Per lb.	Per lb.
Picking Straps (Cut) (Imported)		8 8 0	7 4 0
(Indigenous)		8 8 0	7 4 0
Tuggers (Imported)		3 0 0	3 4 0
(Indigenous)		3 0 0	3 4 0

1	2	3	4	5
17	*Essential stores for gute Industry*—contd.	Per piece	Per piece	
	Cork Covers (imported)			
	22"×2"	Rs. 0.14-3	Rs. 0.14.3	
	24"×5·3/4"	Rs. 2-18-4	Rs. 2.13.4	
	28"×7¼"	Rs. 4- 4-9	Rs. 4- 4-9	
	32"×7½"	Rs. 4-14.9	Rs. 4.14.9	
		Each	Each	
	Silver Cans 10"×7" (imported)	Rs. 8-4-0	Rs. 10-14-0	
	(Indigenous)	Rs. 8-4-0	Rs. 10-14-0	
	" " 12"×10" (imported)	Rs. 11-0-0	Rs. 15-12-0	
	(indigenous)	Rs. 11-0-0	Rs. 15-12-0	
	16"×12" (imported)	Rs. 15-0-0	Rs. 21-0-0	
	(Indigenous)	Rs. 15.0.0	Rs. 21-0-0	
	40"×12" (imported)	Rs. 12.8-0	Rs. 15-8-0	
	(Indigenous)	Rs. 12-8.0	Rs. 15-8-0	
	14"×10" (imported)	Rs. 12.8.0	Rs. 16-12-0	
	(Indigenous)	Rs. 12.8-0	Rs. 16-12-0	
18	*Starch*—			Controlled under Essential Supplies (Emergency Powers) Act, 1947.
19	*Miscellaneous Articles of Textile Industry*—			
	Raw Silk (Filature)	Rs. 37-8 to 42.8 per lb.	Rs. 24 to 32 per lb.	*Nil*
	Raw Silk (Charka)	Rs. 18 to 34 per lb.	Rs. 18 to 24 per lb.	
	45" Crape of Georgette Silk, Fabric (White)	Rs. 12 per yd. (average)	Rs. 9-8 per yard (average)	
	36' Silk Shirting White or Cream	Rs. 10 per yd. (average)	Rs. 6.8 per yard (plain) average Rs. 7.8 per yard (Striped) average	
	27/28" Silk suiting white or cream	Rs. 17 per yard (average)	Rs. 10 per yard (average)	
	Wool—			
	Suitings	Rs. 7-8 to 8.12 per yd.	Rs. 12-12 to 28.6 per yd	
	Tweeds, Coat Cloths	Rs. 3.14 to 5-14 per yd.	Rs. 7.5 to 12 per yd.	

Trousering Flannel	Rs. 9.5 per yard	Rs. 11-5 to 13-8 per yard.
Shirtings	Rs. 1-10 to 3.7 per yd.	Rs. 3-8 to 4 per yard
Lohies	Rs. 8.4 to 16-12 each	Re. 13-11 to 34 each
Rugs	Re. 9 to 14-4 each	Rs. 14 to 44-10 each
Knitting yarn	Rs. 7 to 9-8 per lb.	Rs. 8 to 13-8 per lb.
Scarves	Rs. 3 to 3-10 each	Rs. 3-8 to 4-8 each
Jerseys and Slipovers	Rs. 4 to 8-14 each	Rs. 5-8 to 13-1 each
Socks, Stockings	Rs. 2-9 to 2-15 per pair	Rs. 3-12 to 5-4 per pair
Balaclave Caps	Rs. 1-9-6 each	Rs. 4-8 each

20 *Dyes and Chemicals for Cotton Textiles*—

Dyes derived from Coal Tar	Over all margin of 50% over landed cost.	Same as in Col. 3
Formosul or Rongalite C	Rs. 1-6 per lb. in 1 cwt. packing	Rs. 0-14-6 per lb.
Zinc Chloride	20% over landed cost or Rs. 8.4 per cwt. whichever was less. (The actual ceiling price varied from Rs. 45 to 60 per cwt.)	Rs. 52-8-0 per cwt.
Bichromate of Soda	Rs. 88-0-0 per cwt. ex godown	Re. 100 to 110 per cwt.
21 *Hydrosulphite of Soda*	A ceiling of Rs. 1-1-0 per lb. or 10% over landed cost whichever was higher.	Same as in Col. 3
22 *Wireless sets*—	Prices calculated on the basis of Rs. 7-8 to the dollar and Rs. 1-8 to the shilling of American and British price lists.	Not available.

23 *Cotton Foreign and Indian*—

Indian Cotton	Floor	Ceiling	
Fullygood Bengal Deshi	..	375	Rs. 354
Fine Omra Deshi		425	Rs. 425
Fine Jarilla 3/4"	490	530	Rs. 540 BTB*
Fine Surat 7/8"	545	545	Rs. 685 BTB*
Fine Broach Vijay 1"	480	580	Rs. 660 BTB*

*BTB=Better than basic qualities stated in Col (2).

1	2	3	4	5
23	*Cotton Foreign and Indian*—contd. *Foreign Cotton*— *East African B.P. 52 *East African AR KAMPALA. *Sudan G6L *Sudan XG4L			*Govt's fixed prices Rs. 920. " " 895· " " 885· " " 955· *Notes*—(i) Indian Cotton are 1947-48 crop cottons. (ii) Foreign Cotton are 1947 crop Cottons. (1) Indian cotton was de-controlled on 20.1.1948. (2) With the division of the country on 15th August, 1947, Pakistan cottons have ceased to be under control as from that date. These are, therefore, not included in the statement given above (3) Among foreign cottons, only East African and Sudans were controlled in the sense that the Govt. itself distributed (and still distributes) such cottons at fixed prices.
24	*Matches*—	Half anna per box containing on an average more than 40 but *not* more than 50 sticks.	3.4 of an anna per box containing an average more than 40, but *not* more than 50 sticks.	The main producers, *viz*, Messrs. WIMCO have still retained their whole sale prices at such a level as to enable the retailer to sell a box at half anna but the ruling market price is 3/4 anna per box.
25	*Sulphuric Acid*— Contact (1·84) Chamber (1·84) Sp. Gr. 1750	Rs. 224 per ton Rs. 275 per ton Rs. 224/1 per ton	Rs. 200 to 220 per ton Rs. 250 to 300 per ton. Rs. 190 per ton.	During the control period prices fixed varied from area to area.
26	*Sulphate Ods Alumina*	Rs. 150 to 200 per ton (indigenous)	Rs. 150 to 200 per ton (Indigenous)	There was no price control but distribution was under control.

27	*Cocoanut Oil*—			
	Cochin	Rs. 1390 per ton	Rs. 1390 to 1665 per ton	The prices given are of the cocoanut oil imported from Ceylon. During the control period, prices of the indigenous cocoanut oil were slightly higher than the imported oil. Presently the prices of indigenous oil are slightly lower than the imported Ceylon oil.
	Madras	Rs. 1456 per ton	...	
	Bombay	Rs. 1462 per ton	Rs. 1400 to 1590 per ton.	
	Calcutta	Rs. 1483 per ton	Rs. 1427 to 1530 per ton.	
28	*Copra*—			
	Cochin	Rs. 884 per ton	Rs. 884 per ton	
	Madras	Rs. 936 per ton	...	
	Bombay	Rs. 934 per ton	Rs. 900 per ton	
	Calcutta	Rs. 976 per ton	Rs. 932 per ton	
29	*Various consumer Goods*—			
	Fans.Ceiling—			
	AC 36" Sweep	Maximum addition of 50% to the landed cost.	Rs. 105 0 0	
	48" Sweep	Ditto.	Rs. 125 to 135	
	56" Sweep	Ditto.	Rs. 138	
	60" Sweep	Ditto.	Rs. 180	
	Condenser Type—			
	48" Sweep	Ditto.	Rs. 140	
	60" Sweep	Ditto.	Rs. 166	
	DC Ceiling			
	36" Sweep	Ditto.	Rs. 110	
	48" Sweep	Ditto.	Rs. 136	
	60" Sweep	Ditto.	Rs. 164	
	Fans Table—			
	AC 14" Sweep	Ditto.	Rs. 70	
	16" Sweep	Ditto.	Rs. 81-8-0	
	16" Oscillating	Ditto.	Rs. 103-8	
	DC 16" Sweep	Ditto.	Rs. 103.8	
	16" Non-Oscillating	Ditto.	Rs. 81-8	
	Cycle—			
	Norman	Wholesale selling price Rs. 115 Retail selling price Rs. 125.	Information not available.	
	Phillips			
	Phoenix			
	Rudge Whitworth			

1	2	3	4	5
29	*Various Consumers Goods*—contd.			
	Knitting Wool —			
	Beehive lady Betty 2, 3 & 4 Ply.	Rs. 18-4 per lb.		
	Clipper Baby Wool	Rs. 14-8 per lb.		
	Lustre wool	Rs. 12-5-3 per lb.		
	Pastorella	Rs. 18 per lb.		
	Japanese artificial Silk Yarn—			
	160/1 300/1	Rs. 600- per bale of 200 lbs.	Rs. 6 to 8 per lb.	
	Artificial silk fabrics	Rs. 3-12 per yard (average retail price)	Rs. 2-10 per yard (average c.i.f. price)	
	Razor Blades—			
	Gillete Blue	Rs. 1 per packet of 5		
	7 O' Clock	Rs. 0-11-0 per packet of 10		
	Valet	Re. 1-2-0 per packet of 5		
	Fountain Pen—			
	Parker 51 Gold Cap	Rs. 63 each		
	Silver Cap	Rs. 53 each		
	Major Vacuum	Rs. 37 each		
	Sheaffers Crest Triumph	Rs. 62 each		
	Waterman 32B	Rs. 17 each		
	Conway Stewart No 285	Rs. 11-8 each		
	Waterman No 302	Re. 14-4 each		
	Waterman No 555	Rs. 24-8 each		
	Waterman No 875	Rs. 37-12 each		
	Waterman No 1003	Rs. 45 each		
	Toilet Articles—			
	Hazeline Snow (2 oz jars)	Rs. 13-13 per doz.		
	Hazeline cream (2 oz jars)	Rs. 13-13 per doz.		
	Marcolized wax (small)	Re. 17-4 per doz.		
	Coty Face Powder	Rs. 19-11 per doz.		
	Mecloan Tooth Paste	Rs. 8-3 per doz.		
	Tex Tooth Brush	Rs. 10-2 per doz.		
	Time Pieces—			
	Westclox. Raven	Rs. 9 each		

30. *Newsprint* —

Prices of Newsprint still continue to be controlled. The ceiling prices are as follows :—

	At Ports		Price per lb. Upcountry	
	Reels	Sheets	Reels	Sheets
European	Rs. 0-6-0	Rs. 0-7-6	Rs. 0-6-6	Rs. 0-8-0
Of any other origin	Rs. 0-5-0	Rs. 0-6-0	Rs. 0-5-6	Rs. 0-6-6

31. *Cotton Cloth and Yarn*

Control on cotton cloth and yarn has been lifted with effect from the 20th January 1948. Ceilings and floors of cotton have also been abolished from this date. The question of comparative prices of these commodities on the 10th January 1948, before and after the control, therefore, does not arise.

APPENDIX 'A'

Prices of cycle tyres and tubes before de-control.

DEPARTMENT OF INDUSTRY AND SUPPLIES

NOTIFICATION

New Delhi, the 14th May 1946.

No. SS/135.—In exercise of the powers conferred by sub rule (2) of rule 81 of the Defence of India Rules, the Central Government is pleased to make the following order and to direct with reference to sub-rule (1) of rule 119 of the said rules that notice of the order shall be given to the public by publishing it in the *Gazette of India* :—

1. No person shall sell cycle tyres and tubes at prices higher than those specified in the schedule hereto annexed.
2. The Notification of the Government of India in the Department of Supply No. S/8/135, dated the 25th September 1946, is hereby repealed, provided that anything done under any of the provisions of that notification shall be deemed to have been done under the corresponding provisions of this order.
3. This Order and the annexed Schedule shall be displayed prominently on the premises of all persons offering cycle tyres or tubes for sale.

SCHEDULES

Maximum Prices for Cycle Tyres and Tubes.

Types	Covers				Tubes
	Wired on	Beaded Edge	Wired on each	Beaded Edge Each	Each
1	2	3	4	5	6
			Rs. A. P.	Rs. A. P.	Rs. A. P.
Bates Dunlop Firestone Highspeed Firestone Sentinel Goodyear HV. DV. AWT. India Super All other brands	24×1¾ 26×1¾ 24×1¾ 26×1¾ 28×1¾ 26×1¾ 28×1¾	.. .. .. 28×1¾ 28×1¾ 28×1¾	4 4 6	5 1 0	2 5 0
Dunlop Cambridge Dunlop Cruiser Goodyear Marathon Goodyear Pathfinder India Signal	28×1¾		3 4 0	..	
Dunlop War Grade Firestone War Grade Goodyear War Grade India War Grade All other brands War Grade	24×1¾ 26×1¾ 24×1¾ 26×1¾ 28×1¾ 26×1¾ 28×1¾			..	21 0
Royal Durbar Tabat Sterling	28×1¾	28×1¾	2 12 0	3 10 0	

Dunlop Fort Dunlop Cruiser	28×1¾ 26×1¾	..	5 6 0 4 15 0	..	.. 2 3 0
Dunlop Junior	12×1¾ 14×1¾ 16×1¾ 18×1¾ 20×1¾		4 15 0		2 11 0
Dunlop Balloon	26×2 O.S. (fits 26×1¾ rim) 26×2.00 (fits 1755 mm rim)		9 7 0	..	4 6 0
Dunlop Carrier	20×2×1¾ 26×1¾ 26×2×1¾	26×1¾ 26×2×1¾	12 10 0	13 8 0	4 10 0

A. T. Naqvi,
Dy. Secy.

SUBMITTED AND LAID ON THE TABLE

1525
1525

APPENDIX B

Prices of Cycle Tyres and Tubes as on 10th January 1949.

Cycle Tyres and Tubes

Type of Tyre	Nominal Sizes. Wired on	Nominal Sizes. Beaded Edge	Covers Wired on	Covers Beaded Edge	Tubes
			Rs. A. P.	Rs. A. P.	Rs. A. P.
Rickshaw	28 × 1½	..	6 0 0	..	..
Bates Dunlop Firestone High Speed Firestone Sentinel Goodyear Heavy Duty A.W.T. India Super	24 × 1¾ 26 × 1¾ 24 × 1¾ 26 × 1¾ 28 × 1½ 26 × 1¾	.. .. 28 × 1½ ..	4 8 0	6 8 0	2 5 0
Tourer (R.B.S. Jain) and other Indian makes 28 × 1½	28 × 1½ 28 × 1½	28 × 1¾ ..	4 8 0	..	2 5 0
Dunlop Cambridge Goodyear Marathon India Signal	28 × 1½		3 14 0	..	..
Royal Durbar Takat Sterling	28 × 1½	28 × 1¾ (Takat and Sterling made in 28 × 1½ W.O. only)	3 6 0	5 4 0	..
Dunlop Cruiser	26 × 1¾	..	4 15 0	..	2 3 0
Dunlop Junior	12 × 1¾ 14 × 1¾ 16 × 1¾ 18 × 1¾ 20 × 1¾		4 15 0	..	2 11 0
Dunlop Balloon	26 × 2 O/Size (fits 26 × 1¾ rim) 26 × 2·00 (fits 1755 mm rim)		9 7 0		4 6 0
Dunlop Carrier	20 × 2 × 1¾ 26 × 1¾ 28 × 2 × 1¾	.. 26 × 1¾ 26 × 2 × 1¾	12 10 0	18 8 0	4 10 0
Dunlop Carrier	12½ × 2¼	..	14 0 0	..	5 5 0

APPENDIX C

Prices Before De-Control

DEPARTMENT OF INDUSTRIES AND SUPPLIES

NOTIFICATION

New Delhi, the 31st May 1946.

No. SS/63-(14).—In exercise of the powers conferred by sub-rule (2) of rule 81 of the Defence of India Rules, the Central Government is pleased to make thefollowing order and to direct with reference to sub-rule (1) of rule 119 of the said Rules, that notice of the Order shall be given to the public by publishing it in the *Gazette of India* :

1. No person shall sell pneumatic tyres or tubes at prices higher than those specified in the Schedule hereto annexed.

2. The Notification of the Government of India in the Department of Supply No. SS/63(14 dated the 25th September 1945, as amended, is here by repealed : provided that anything don under any of the provisions of that Notification shall be deemed to have been done under the corresponding provisions of this Order.

3. This Order and the annexed Schedule shall be displayed prominently at the premises o all suppliers.

SCHEDULE

Size	Motor Covers			Motor Tubes
	1. Dunlop Fort. 2. Firestone DeLuxe Champion EHD. 3. Good year DeLuxe EHD AWT 4. India Super 5. Miohelin.	1. Dunlop 'Dunlop'. 2. Firestone DeLuxe Champion. 3. Goodyear DeLuxe Reg. AWT. 4. India Standard.	1. Dunlop Triple Stud. Dunlop Freighter. 2. Firestone Standard. 3. Goodyear Reg. R.I. 4. India sterling.	1. Dunlops 2. Firestone 3. Goodyear 4. India. 5. Michelin.
1	2	3	4	5
	Rs. AS.	Rs. AS.	Rs. AS.	Rs. AS.
4·90/4·25-15	59 8	48 12	..	7 0
5·00-15	71 8	60 0	..	9 0
5·50-15	82 0	69 0	..	10 4
6·00-15	86 12	73 4	..	10 12
6·50-15	91 4	77 4	..	11 4
7·00-15	99 4	84 8	..	11 4
7·50-15	133 8	111 12	..	13 8
4·00-16	..	48 12	..	7 0
4·50-16	59 0	49 12	..	8 12
4·75-16	61 0	52. 0	43 12	8 12
5·00-16	63 12	53 8	45 12	9 0
5·25-16	68 4	57 4	48 12	9 0
5·50-16	75 8	63 12	54 4	9 4
5·75-16	81 4	68 12	58 4	9 4
6·00-16	86 12	72 12	61 12	9 12
6·25-16	91 8	77 4	68 0	9 12
6·50-16	97 0	82 0	68 0	10 0
7·00-16	108 0	91 0	..	10 0
7·50-16	119 4	100 4	..	13 0
4·00-17	45 12	38 4	..	7 0
4·25-17	..	39 8	..	8 12
4·50-17	54 8	46 4	39 8	8 12
4·75/5·00-17	65 8	55 8	..	9 12

1	2	3	4	5
	Rs. AS.	Rs. AS.	Rs. AS.	Rs. AS.
6·25/5·50-17	82 12	69 8	59 12	10 0
6·00/6·50-17	88 4	..	..	10 0
7·00-17	130 0	..	..	13 0
4·00-18	46 12	39 12	..	7 0
4·50/4·75/5·00-18	60 12	51 4	43 8	9 12
5·25/5·50-18	77 4	64 12	55 0	9 12
6·00/6·50-18	91 8	..	..	10 0
7·00-18	137 4	..	..	13 0
3·60-19	39 8	33 8	28 12	7 0
4·00-19	48 8	41 4	35 0	7 0
4·50/4·75/5·00-19	63 12	53 8	46 0	9 12
5·25/5·50-19	84 8	71 12	61 0	10 0
6·00/6·50-19	96 12	..	..	10 0
7·00-19	140 8	..	..	13 0
4·50/4·75/5·00-20	66 8	56 4	48 8	9 12
5·25/5·50-20	89 0	75 4	63 12	9 12
6·00/6·50-20	105 12	..	..	9 12
7·00-20	143 8	..	..	13 0
4·50-21	63 12	53 8	46 0	9 12
4·75/5·00-21	73 4	61 4	53 0	9 12
5·25-21	82 12	69 4	59 12	9 12
6·00-21	99 4	..	..	9 12
7·00-21	146 4	..	..	7 12
30 × 3½ B. E.	..	..	48 4	7 12
30 × 3½ S. S.	..	..	50 4	7 12
70 × 130 B.E.	..	68 0	..	11 4

Sizes	Motor Cycle Covers	Motor Cycle Tubes
	1. Dunlop Fort. Dunlop Universal. 2. Firestone High Speed H. D. 3. Goodyear H.D.	1. Dunlop 'Dunlop' 2. Firestone High Speed Reg. 3. Goodyear Reg.

	Rs. AS.	Rs. AS.	Rs. AS.
Wired on			
2·50-19	29 0	25 8	6 4
3·00-19	32 4	28 4	6 4
3·25-19	37 0	32 4	6 4
2·25-21 (26 × 2·25 Motorette)	..	22 12	5 12
2·75-21	33 0	27 4	6 4
Beaded edge	Dunlop Ex.Hy	Goodyear Reg.	
26 × 2	24 0	..	4 8
26 × 2¼ × 2¼	31 8	29 0	5 12
	31 8	29 12	6 4

Sizes	Giant Covers			Giant Tubes
	1. Dunlop R.H.S. 2. Firestone High speed HD. 3. Goodyear HD, AWT Goodyear HD, HI-Miler. 4. India Super HS. 5. Michelin.	1. Dunlop Freighter HD. 2. Firestone Standard HD 3. Goodyear HD RI 4. India Signal HD	Cross Country type.	1. Dunlop. 2. Firestone. 3. Goodyear. 4. India. 5. Michelin.
				30

1	2	3	4	5
Higher Pressure	Rs. as.	Rs. as.	Rs. as.	Rs. as.
32 × 4½	100 8	..		13 8
33 × 4½	104 0	..		13 8
23 × 5	126 0	..	..	13 12
30 × 5	122 8	105 0	..	14 0
33 × 5	129 4	..	..	14 8
25 × 6	169 8	..	..	16 8
27 × 6	176 0	..	..	17 12
32 × 6	187 4	158 12	..	19 4
36 × 6	246 8	209 12	..	22 12
32 × 6½	236 8	..	..	23 0
18 × 7	102 12	..	..	22 0
32 × 7	235 12	..	..	23 0
34 × 7	236 8	212 12	..	23 0
38 × 7	290 4	..	..	27 12
36 × 8	414 0		..	34 4
40 × 8	464 0		..	41 12
38 × 9	695 4		..	61 0
Low Pressure				
8·25—10	242 0		..	22 4
9·00—13	201 8		211 4	25 4
10·60—13	423 12		..	41 12
9·00—16	323 0		338 12	29 8
9·25—16	238 4		250 4	44 0
10·50—16	446 12		469 0	81 8
13·50—16	965 8		..	16 8
6·00—17	118 8			16 8
7·00—17 6 Ply	144 0			16 8
7·00—17 8 Ply	162 12			16 8
7·50—17	208 4			23 0
7·00—18	177 4			29 12
7·50—18	216 12	..		32 0
8·25—18	279 8	..		42 12
9·00—18	297 12	..		46 0
9·75—18	450 8	..		14 0
10·50—18	514 0	..		14 0
6·00—20	103 4	88 4		..
6·00—20 Ex. Hy.	122 8	..	..	..
0·50—20	132 8	..	..	16 0
6·50—20 Ex. Hy.	142 4	..	..	16 0
7·00—20	158 12	..	..	16 0
7·50—20	187 4	..	196 8	23 0
7·50—20 Ex. Hy.	236 8	..	..	23 0
8·25—20	283 0	240 0	..	33 4
9·00—20 Ex. Hy.	301 8	257 4	..	34 4
9·75—20	414 0	..	434 4	34 4
10·50—20/11·00—20	468 8	397 12	..	46 4

1	2	3	4	5
11·25—20	540 12		587 12	47 0
12·00—20	640 0		..	66 12
12·75—20	739 4		778 0	66 1
13·50—20	911 6		..	79 6
9·00—22	1041 4		..	97 6
9·00—24	321 0		..	36 4
10·50—24	422 4		..	41 12
	584 4		..	53 12
Extra Low Pressure.				
7·00—15	108 8	..	..	14 8
7·50—15 6-Ply	142 0	..	..	21 0
7·50—15 8-Ply	156 0	..	..	21 0
6·00—16	69 4	..	94 4	11 12
6·50—16	104 0	..	..	11 12
7·00—16	131 12	..	..	16 8
7·60—16	144 0	..	151 4	16 8
7·50—16 Ex. Hy.	155 4	..	163 0	16 8

W. G. LAMARQUE,
Dy Secy.

APPENDIX D

Prices of Tyres and Tubes manufactured by Messrs. Dunlop, Firestone, Goodyear and India Tubes as on 10th January 1948.

Size	Motor Car Tyres — Covers		Heavy Service Tubes
1	Dunlop Fort 2	Dunlop 3	4
	Rs. as.	Rs. as.	Rs. as.
4·00-15 4·25-15	59 6	46 12	7 0
5·00-15	71 8	60 0	9 0
5·50-15	82 0	69 0	10 4
6·00-15	86 12	73 4	10 12
6·50-15	91 4	77 4	11 4
7·00-15	99 4	84 8	12 4
7·50-15	133 6	111 12	13 8
4·00-16	..	46 12	7 0
4·50-16	61 0	52 0	8 12
4·75-16	63 12	53 6	9 0
5·00-16	68 4	67 4	9 0
6·25-16	75 6	63 12	9 4
5·50-16	81 4	66 12	9 4
5·75-16	86 12	72 12	9 12
6·00-16	97 0	82 0	10 0
6·25-16	106 0	..	10 0
6·50-16	119 4	..	13 0
7·00-16			
7·50-16			

1	2	3	4
	Rs. as.	Rs. as.	Rs. as.
4·00-17	45 12	..	7 0
4·50-17	57 8	48 8	8 12
4·75-17	65 8	55 8	9 12
5·00-17			
5·25-17	82 12		10 0
5·50-17			
6·00-17	88 4		10 0
6·50-17			
7·00-17	130 0	..	13 0
4·00-18	46 12	..	7 0
4·50-18			
4·75-18	64 8	54 8	9 12
5·00-18			
5·25-18			
5·50-18	77 4		9 12
6·00-18			
6·50-18	91 8	..	10 0
7·00-18	137 4	..	13 0
3·50-19	43 8	36 12	7 0
4·00-19	48 8	..	7 0
4·50-19			
4·75-19	66 12	56 4	9 12
5·00-19			
5·25-19			
5·50-19	84 8	71 4	10 0
6·00-19			
6·50-19	96 12	..	10 0
7·00-19	140 8	..	13 0
4·50-20			
4·75-20			
5·00-20	68 12		9 12
5·25-20			
5·50-20			
6·00-20	89 0	..	9 12
6·50-20	105 12	..	9 12
7·00-20	143 8	..	13 0
4·50-21	63 12	..	9 12
4·75-21			
5·00-21	73 4	61 4	9 12
5·25-21	82 12	..	9 12
6·00-21	99 4	..	9 12
7·00-21	146 4	131 12	13 0
130-40	65 8	55 12	9 0
140-40	..	68 4	9 0
150-40	..	75 0	9 12
160-40	..	91 8	9 12
12 × 45	68 4	57 0	9 0
13 × 45	82 4	69 0	9 0
14 × 45	99 8	84 4	9 0
15 × 45	122 12	109 4	9 12
14 × 50	110 0	93 12	9 12
16 × 50	161 0	135 8	14 12
145 × 400	..	65 8	9 0
165 × 400	..	91 8	9 12
185 × 400	..	198 0	10 0

1	2	3	4
Beaded Edge			
		Rs. As.	Rs. As.
710 × 90	..	51 4	8 4
765 × 105	..	69 0	10 4
815 × 105		74 12	11 0
820 × 120		99 8	13 8
880 × 120		107 0	13 8
895 × 35		133 4	14 8
26 × 8		35 4	6 8
30 × 3½		48 4	7 12
720 × 120		53 0	10 4
730 × 130		68 0	11 4
775 × 145		101 12	14 12
Straight Side.			
30 × 3½	..	50 4	7 12
31 × 4	84 4	..	11 0
32 × 4	87 8	..	11 0
Truck and bus Tyres (Giant)			
High Pressure			
32 × 4½	100 8	..	13 8
33 × 4½	104 0	..	13 8
23 × 5	126 0	..	13 12
30 × 5	122 8	..	14 0
33 × 5	129 4	..	14 8
25 × 6	169 8		16 8
27 × 6	176 0		17 12
32 × 6*	187 4		19 4
32 × 6 R. O. C.	196 8		19 4
36 × 6	246 8		22 12
32 × 6½	236 8		23 0
18 × 7	102 12		22 0
32 × 7	285 12		23 0
32 × 7 Ex. Hy.	297 0		23 0
34 × 7*	236 8		23 0
34 × 7 Ex. Hy.	272 0		23 0
38 × 7	290 4	..	27 12
36 × 8	358 0		35 8
40 × 8	464 0		41 12
38 × 9	463 0		40 0
Low Pressure			
8·25-20	242 0		22 4
9·00-13	201 8	211 4	25 4
10·50-13	428 12		41 12

*C. V. available in sizes 32 × 6 and 34 × 7

1	2	3	4
	Rs. As.	Rs. As.	Rs. As.
9·00-16	323 0	338 12	20 8
10·50-16	446 12	469 0	44 0
13·50-16	965 8	..	81 8
6·00-17	118 8	..	16 8
7·00-17 Ex. Hy.	162 12	..	16 8
7·50-17	208 4	..	16 8
8·25-18	279 8	..	29 12
9·00-18	297 12	..	32 0
9·75-18	450 8	..	42 12
6·00-20 Ex. Hy.	122 8	..	14 0
6·50-20 Ex. Hy.	142 4	..	19 4
7·00-20	158 12	..	19 4
7·50-20	187 4	..	23 0
7·50-20 Ex. Hy.	230 8	..	23 0
8·25-20 Ex. Hy.	262 4	..	32 4
9·00-20	301 8	..	35 8
9·09-20 Ex. Hy.	311 4	..	35 8
9·75/10·00-20	358 0	..	40 0
9·75/10·00-20 Ex. Hy.	402 8	..	40 0
10·50/11·00-20	463 0	..	47 0
10·50/11·00-20 Ex. Hy.	498 0	523 0	47 0
12·00-20	575 12	..	66 12
12·75/13·00-20	630 0	661 8	79 8
13·50/14·00-20	850 0	..	97 8
9·00-22	321 0		36 4

Extra Low Pressure	Truck	Heavy Service Tubes Truck.
	Rs. As.	Rs. As.
7·00-15	108 8	14 8
7·00-15 Ex. Hy.	119 4	14 8
7·50-15	153 12	21 0
7·50-15 Ex. Hy.	177 0	21 0
6.00-16	99 12	11 12
6·00-16 Trakgrip (Mud and Snow)	104 12	11 12
6·50-16	111 8	11 12
7·00-16	124 4	16 8
7.00-16 Ex. Hy.	136 12	16 8
7·50-16	137 4	16 8
7·50-16 Trakgrip (Mud and Snow)	144 0	16 8
7·50-16 Ex. Hy.	157 12	16 8
7·50-16 Ex. Hy. Trakgrip (Mud and Snow)	165 12	16 8

Motor Cycle Tyres

Sizes.	Covers			Tubes
	Dunlop Fort	Dunlop Universal.	Dunlop	
1	2	3	4	5
	Rs. As.	Rs. As.	Rs. As.	Rs. As.
2·50-19	..	32 4	27 4	7 0
2·75-19	33 0	..	27 12	7 0
3·00-19	35 12	36 12	30 4	7 0
3·25-19	41 0	41 0	34 8	7 0
3·50-19	43 8		36 12	7 0

1	2	3	4	5
3·00-20	Rs. As. 38 12	Rs. As. 38 12	Rs. As. 32 12	Rs. As. 7 0
2·25-21 (26 × 2·25) Motorette	..		25 4	6 4
2·75-21	36 12		31 0	7 0
3·00-21	43 4		..	7 0

Sizes	Covers	Tubes
	Extra Heavy	
Beaded Edge high Pressure Inches	Rs. As.	Rs. As.
24 × 2	25 8	5 0
24 × 2¼ × 2¼	37 4	5 12
26 × 2¼	35 12	6 8
26 × 2¼ × 2¼	35 0	6 8
26 × 3	36 0	7 0

APPENDIX E

Prices of Raw Rubber before the Control was lifted

RAW RUBBER PRICES

S.No.	Grade and quality of Rubber	Group Number	Rate per 100 lbs. F.O.R. Approved Estate or dealer nearest station
1	2	3	4
			Rs. As. Ps.
1	R.M.A. IX	1	87 1 0
2	R.M.A. 1		
3	R.M.A. 2	2	86 11 0
4	R.M.A. 3		
5	Cuttings No. 1		
6	R.M.A. 4	3	84 4 0
7	R.M.A. 5		
8	Cuttings No. 2		
9	Pale Latex Crepe IX X	4	88 0 0
10	Pale Latex Crepe 1		
11	Pale Latex Crepe 2		
12	Palisha Latex Crepe 3 FAQ		
13	Estate Brown Crepe IX	5	82 8 0
14	Estate Brown Crepe 2X		
15	Smoked Blanket		
16	Remilled Crepe 2		

1	2	3	4
17 18 19	Estate Brown Crepe 3X Remilled Crepe 3 Remilled Crepe 4	6	Rs. As. Ps. 78 1 0
20	Flat Bark	7	73 3 0
21	35 Per cent Normal Latex (Excluding cost of containers)		87 5 0 *Plus* a premium of Rs. 17/8 based on actual D. R. C. of latex delivered.
22	50 per cent to 55 per cent Concentrated Latex (Excluding cost of containers).		97 5 0 *Plus* a premium of Rs. 43 based on actual DRC of latex delivered.

APPENDIX F

The following are the maximum prices for various grades and qualities of rubber mentioned below as on 10th January 1948.

Grade and quality of rubber	F.O.B. Cochin 100 lbs. Maximum price	Maximum price
	Rs. As. Ps.	Rs. As. Ps.
Group 1 — R.A.M. IX	73 8 0	72 8 0
Group 1 — R.A.M. I	72 8 0	71 8 0
Group 2 — R.A.M. 2	71 0 0	70 0 0
Group 2 — R.A.M. 3	69 8 0	68 8 0
Group 2 — Cuttings No. 1	68 8 0	67 8 0
Group 3 — R.A.M. 4	68 0 0	67 0 0
Group 3 — R.A.M. 5	66 0 0	65 8 0
Group 3 — Cuttings No. 2	65 8 0	64 8 0
Group 4 — Pale Latex Crepe IX	76 0 0	75 0 0
Group 4 — Pale Latex Crepe 1	74 0 0	73 0 0
Group 4 — Pale Latex Crepe 2	73 0 0	72 0 0
Group 4 — Palish Latex Crepe 3 FAQ	72 0 0	71 0 0
Group 5 — Estate Brown Crepe IX	68 0 0	67 0 0
Group 5 — Estate Brown Crepe 2 X	66 0 0	65 0 0
Group 5 — Smoked Blanket	68 0 0	67 0 0
Group 5 — Remilled Crepe 2	66 0 0	65 0 0
Group 6 — Estate Brown 3 X	62 0 0	61 0 0
Group 6 — Remilled Crepe 3	61 0 0	60 0 0
Group 6 — Remilled Crepe 4	60 0 0	59 0 0
Group 7 — Flat Bark	51 0 0	50 0 0
35 Normal Latex (excluding cost of containers).	73 8 0 *plus* a premium of 17/8 per 100 lbs. of D.R.C.	72 8 0 *plus* a premium of Rs. 17/8 per 100 lbs. of D.R.C.
50% to 55% concentrated preserved Latex (Excluding cost of containers)	73 8 0 *plus* a premium of Rs. 43 per 100 lbs. of D.R.C.	72 8 0 *plus* a premium of Rs. 43 per 100 lbs. of D.R.C.

Shri V. C. Kesava Rao's Starred Question No. 269(b) of 13th February, 1948 and Pandit Thakur Das Bhargava's Supplementary thereto.

GOVERNMENT DAIRY FARMS IN INDIA

(b) The total quantity of milk supplied to public by Government Dairy Farms in 52,22,566 lbs. a year.

Information promised in reply to supplementary question of Pandit Thakur Das Bhargava.— No preference is given to Government servants in the supply of milk from Government Dairy Farms.

Shri V. C. Kesava Rao's Starred Questions No. 278 of 14th February 1948.

RECOGNISED TRADE UNION ORGANISATIONS

Trade Unions Recognised by Government

Name	Membership	Number of unions affiliated
1	2	3
Ministry of Railways		
1. The B. A. Railway Employees' Association (Regional Committee Assam Zone)	17,000	Nil.
The B. A. Railway Employees' Association (Regional Committee, O. T. Ry. Zone)	6,000	Nil.
2. The B. A. Rail Road Workers' Union (Regional Committee, Assam Rly.)	13,000	Nil.
3. The B. N. Railway Indian Labour Union	16,165	Nil.
4. The B. N. Railway Workers' Welfare Association	513	Nil.
5. The B. N. Railway Employees' Union	7,186	Nil.
6. The National Union of Railwaymen of India and Burma	1,761	5 branches for Assam Rly., B.B. & C.I.Rly, B.N.Rly., E.I. Rly. and G.I.P. Rly.
7. The Visagapatam Harbour and Port Workers' Union	1,060	Nil.
8. The Non-Gazetted Officers Association, Visagapatam Port	79	Nil.
9. The B. N. Railway Workers' Association	800	Nil.
10. The B.B. & C.I. Rly. Employees' Union	10,397	Nil.
11. The B.B. & C.I. Railwaymen's Union	21,705	Nil.
12. The B.B. & C.I. Railway Employees' Association, Bombay	7,040	Nil.
13. The E.I. Railway Employees' Association, Calcutta	55,300	Nil.
14. The E. I. Railwaymen's Union, Lucknow	61,456	Nil.
15. The Railway Press Workers' Union, Calcutta	1,200	Nil.
16. The G.I.P. Railwaymen's Union	24,228	Nil.
17. The G.I.P. Railway Accounts Staff Union	495	Nil.
18. The M. & S. M. Railway Employees' Union	20,617	Nil.
19. The O. T. Railway Employees' Association	3,566	Nil.
20. The O.T. Railwaymen's Union	8,617	5
21. The S.I. Railway Labour Union, Golden Rock	21,468	Nil.
22. The S.I. Railway Employees Association	15,700	Nil.
23. The S.I. Railway Loco Transportation Association	1,700	Nil.
24. S.I. Railway Workers' Union	8,326	Nil.
25. The Railway Clearing Staff Association	791	Nil.
26. The Railway Clearing Accounts Association	42	Nil.
Ministry of Works, Mines and Power.		
27. Government of India Press Workers' Union, New Delhi.	763 on 1-2-48	Nil.
28. Government of India Press Workers' Union, Simla	192 on 1-11-47	Nil.
29. Government of India Press Worker's Union, Aligarh	459 on 1-1-48	Nil.
30. Central Public Works Department Workers' Union, Delhi	4,000 (approximately)	Nil.
31. Central Public Works Department Staff Union, Bombay.	75 (Approximately)	Nil.
32. Central Public Works Department Divisional Ministerial Staff Union, New Delhi	500 (Approximately)	Nil.

1	2	3
Ministry of Industry and Supply		
33. Mathematical Instrument Office Indian Ordnance Factories Workers' Union, Calcutta	587	Nil.
34. Coal Workers' Union, Giridih	10,892 (Approximately)	Nil.
35. Nithagar Kamgar Sang, Thana District, Bombay	2,000 (approximately)	Nil.
36. Uran Petha Mithagar Kamkari Sangh, Kolaba District, Bombay	2,000 (Approximately)	Nil.
Ministry of Communications.		
37. The India Meterological Workshop Union, New Delhi.	100	Nil.
38. Indian Posts and Telegraphs Union, Delhi	Probably defunct	
39. Posts & Telegraphs Industrial Workers Union, Calcutta	5,300	3
40. Telephone Workers Union, Bombay	2, 633	1
41. Telegraph Engineering Association, Delhi	51	
42. All India Railway Mail Service Inspectors Association, Delhi	60	
43. Postal Officers' Association, India, Calcutta	116 (last years' figures)	
44. All India Union of Postmaster (Gazetted and in higher Selection Grade)	62	
45. All India Telegraph Union, Calcutta	6,837	12
46. All India P. & T. (Including R.M.S.) Administrative Offices Association, Bombay	1,336	8
47. All India Telephone Reserve Union, Delhi	162	1
48. All India Postmen & Lower Grade (including R.M.S.) Staff Union, Bombay	28,902 (last years' figures)	9
49. All India Postal Accountants Association	293	
50. All India Postal & R.M.S. Union, Delhi	15,060	72
51. Tele-Communication Engineers Association, Delhi	170	
52. All India Telegraph Workmens Union, Delhi	2,828	23
53. Federation of P. & T. Unions of Delhi (composed of some of the above named Unions)	27,800	8
54. Union of P. & T. Workers	25,000	172 circle branches and local units.
Ministry of Defence		
55. H.M.I. Dockyard Workers' Union, Bombay	3,000	Nil.
56. Cordite Factory, Aruvankadu, Labour Union	307	Nil.
57. Labour Union, Ordnance Factory, Katni	700	Nil.
58. Association of Storekeepers & Storemen of the I.A.O.C. Chheoki	815	Nil.
59. All India Association of Nongazetted Officers of Ordnance & Clothing Factories & Inspectorates, Poona	605	Nil.
60. Ordnance Factory, Dehra Dun, Mazdoor Sangh.	600	Nil.
61. 515 Command IEME Workshop Workers Union, Bangalore Cantt.	1,150	Nil.
62. I.G.S. Employees' Union, Bengal area, Calcutta	327	Nil.
63. Association of IAOC Clerks, Poona	900	Nil.
64. The Association of the All India Air Force Units, Civilians	270	Nil.
65. The Military Lands and Cantonments Officers Association	34	Nil.
66. The All India Cantonment Department Ministerial Establishment Association	102	Nil.
67. Indian Ordnence Civilian Gazetted Officers Association Gun & Shell Factory, Cossipore	66	Nil.
68. All India Association of Clerks (Ordnence Factories) Headquarters Executive, Gun, & Shell Factory, Cossipore	3,000	Nil.
69. Foreman's Association of India, Ridv Factory, Ishapore	30	Nil.
70. Association of Civilian Employees of 512 Command Workshop Union, Kirkee	1,450	Nil.
71. Ordnance Depot Mathura Workers' Union	382	Nil.

1	2	3
Ministry of Health.		
72. The Government Medical Store Employees' Union, Bombay	542 (in 1946-47)	Nil.
73. The Government Medical Store Worker's Union	340 (in 1946-47)	Nil.
Ministry of Finance.		
74. The India Security Press Workers' Union, Nasik Road.	2,015	Nil.
75. Calcutta Mint Workers' Union	1,866	Nil, Not formally recognised yet.
76. Bombay Mint Workers' Union	1,000 (Approximately)	Nil.

Supplementaries to Shri R. K. Sidhva's Starred Question No. 485 of 26th February, 1948.

ROAD ACCIDENTS IN OLD AND NEW DELHI.

	New Delhi	Old Delhi
(a) Number of accidents caused by Military Vehicles in the Delhi Province during the year 1947.	42	20

These figures are embodied in the 191 road accidents occuring in New Delhi and 82 in Old Delhi during the same period stated in reply to part (a) of the questions.

(b) The speed limit in Delhi City and connaught circus area is 20 miles per hour while the speed limit for the remaining areas of Delhi is 30 miles per hour. Connaught Circus, Connaught Place and a portion of the Elgin Road to the West of Fais Bazzar have been notified as out of bounds for military traffic. The question of placing certain other congested roads out of bounds for military traffic is under consideration.

Shri Yudhishthir Misra's Starred Question No. 1117 (a) of 31st March, 1949.

AMOUNT OF ASSETS LIABILITIES HANDED OVER BY ORISSA STATES TO GOVERNMENT OF ORISSA

Assets handed over by the Orissa States on 1st January, 1948

Head	Amount		
	Rs.	As.	Ps.
(1) Securities	7,21,009	10	6
(2) Bank deposits	10,92,398	2	9
(3) Postage stamps, court fees and saleable forms	23,94,239	0	10½
(4) Opium Ganja and Bhang	3,77,896	6	1
(5) Defence Savings certificates	28,010	0	0
(6) National Savings Certificates	8,28,605	0	0
(7) Advances, Loans and investments	2,88,022	7	6
(8) Cash balance	23,52,827	6	6
(9) Miscellaneous funds and receipts of cash with cash dealing departments.	1,61,161	6	6

Liabilities handed over by the Orissa States.

Name of the States	Claims of Provident fund, deposits i.e. subscription by the officers and the States share with interest	Civil deposits etc. repayable to parties	Claim of unpaid bills of state Officers	Trust funds deposited in the state Treasury	Contractors earnest money deposited.	Unpaid bill of the contractors for work done up to 31-12-47	Devittar property	Claims against Rulers which Govt. may have to discharge	Arrears of pay bills of Officers since 1-1-47	Total	Remarks
1	2	3	4	5	6	7	8	9	10	11	12
Athgarh	22474-10-2	965-14-10	2415-9-6	..	12539-4-0	1291-4-0	..	..	9540-0-0	49226-10-8	
Athmallik	51209-14-0	122702-1-9	660-11-0	50-0-0	..	11060-12-10	21500-0-0	321823-11-2½	448-12-0	529455-14-9½	Col. 4 includes col. 7.
Bolangir Patna	358745-12-9	198618-14-11	..	156779-11-0	..	..	5888-9-8	..	..	720133-0-4	
Rampur	18003-13-3	54235-13-7	..	..	17337-4-0	109-9-0	..	595-5-0	112-10-9	85394-7-7	
Raikakhol	13440-15-6	..	660-10-0	..	1825-0-0	..	..	8812-8-0	..	24738-7-6	
Talcher	..	836-10-0	..	..	17186-8-0	12118-9-4	..	..	455-12-2	30607-7-6	
Gangpur	179663-14-11	177189-0-10	..	24013-15-2	..	11286-0-0	..	69712-2-0	196-0-0	462061-0-11	
Daspalla	46078-5-5	135-14-5	..	7251-9-6	10175-0-0	..	..	..	..	63640-13-4*	
Keonjhar	424865-10-0	128258-0-0	226-7-0	430913-0-0	52913-0-0	..	25104-0-0	..	..	1062310-1-0*	*Interest for 1947-48 is not calculated.
Bonai	44644-0-11	8225-2-5		21380-14-0	41543-9-0	..	407-6-6	7777-15-8	130-0-0	124109-0-6	
Tigiria	5055-12-5	12998-13-1		..	816-14-0	..	..	3000-0-0	138-0-0	22009-7-6	
Baramba	..	5230-4-3		2465-6-6	1271-15-0	..	15748-7-2	..	..	24716-0-11	
Pallahara	11966-1-7	29727-6-3	..	..	..	..	549-10-6	..	2507-2-0	44750-4-4	
Narasinghpur	18439-6-9	1676-15-0	..	9479-14-3	20383-5-0	..	..	1529-12-0	..	51609-4-11*	*Paddy 713 Mds 19 Srs. & landed property of 119·54 acres have been shown as Dehotar property. Excludes states Share Col. 3
Khandpara	17994-13-0	46711-7-6	251-14-0	..	9471-4-0	682-1-3	38965-5-9	..	365-14-0	114452-11-5	
Hindol	..	3428-10-4	..	..	..	1315-13-0	..	..	..	35600-7-4	
Nilgiri	17373-10-2	21419-14-7	57-2-0	11688-11-0	12554-8-0	232566-13-3	5000-0-0	..	..	300660-11-0	
Khalahandi	183660-6-0	1054-14-6	244-14-3	1137400-11-11	42565-0-0	4000-0-0	21065-5-6	..	..	1389991-3-2	Excludes states Share Col. 3
Sonepur	28894-0-0	84779-0-10	16645-5-9	..	2000-0-0	43093-12-0	4009-6-2	622344-4-3	109-0-0	811866-13-0	
Nayagarh	109761-3-0	79396-0-3	600-0-0	157-1-3	600-0-0	19616-0-0	..	13787-13-4	..	2223468-1-3	
Bamra	..	331155-10-7	..	134815-5-3	127665-9-6	24316-3-0	46059-6-2	34212-0-3	..	698225-5-6	
Dhenkanal	22121-10-0	196796-11-5	..	..	..	..	9591-1-10	..	..	228509-7-3*	*Deposits includes also deposits under Col. 6.
Budh	183409-13-7	142063-11-1	22973-11-3	..	..	..	..	..	..	349466-3-11	

STATEMENTS LAID ON THE TABLE

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Prof. K. T. Shah's Starred Question No. 202 of 13th August, 1948.

ARREARS OF INCOME-TAX, SUPER-TAX OR CORPORATION-TAX OF EVACUEES TO PAKISTAN

(a) The demand for incometax, super-tax and Corporation tax raised in the assessments for the years 1945-46 to 1947-48 outstanding on 1st April 1948 less amount pending settlement of double incometax relief claims, is about Rs. 33 crores Tax for 1948-49 cannot be described as arrears

(b) 1351.

(c) Rs. 83 lakhs.

(d) All possible legal steps are being taken to recover the amount. In particular recovery certificates have been issued to the Collectors in India and the assets left behind by assessees are being attached for the realisation of the arrears. Where the assessees are reported to have any property in Pakistan certificates are being issued to the Collectors concerned in Pakistan, under section 46(9) of the Income-tax Act, for recovery of the tax. Action under the Transfer of Property Ordinance has also been taken in suitable cases.

Shri Kishorimohan Tripathi's Starred Question No. 205 (b) of 13th August, 1948.

PRIVATE PROPERTIES OF RULERS OF CHATTISGARH STATES

Name of State 1	List of private property 2
1. Rajnandgaon	(1) The old killa, with all its grounds, buildings standing on it and all movable property inside it (but excluding the female hospital building and quarters for the lady doctor inside the killa). (2) The Lalbagh Palace with all its grounds, buildings standing on it and all movable property inside it. (3) The motor garages and the cow shed with its open plot in front. (4) The building of the power house will be treated as part of the Lalbagh Palace. (5) Baldeo Bagh with all its ground and buildings standing on it is assigned to the Ranisahiba and she may build a residential house for herself whenever she likes. (6) Certain motor cars. (7) The house occupied by Babi Bai treated as private property. (8) Civil List Reserve Fund Rs. 4/- lakhs.
2. Surguja	(1) The following property has been declared as the Maharaja's private property :

Plot No.	*Area in acres*	*Description*
2809	0·02	This house is situated on the south of the garage building.
2810	0·04	This is a house situated on the south of the garage building.
2811	0·20	This building is situated on the east of power house.
2824	0·59	This plot will be Maharaja's private property.
2834	0·07	This house is situated on the Kharsia Road.
2836	0·07	The house is situated on the turning of Kharsia Road.
3468	0·02	This is a small house on the bank of the Mani Banch.
843	0·10	This house is situated on the Devigan; road
3237	0·13	This house is situated on the Brahmastan Road.
2859	0·23	This is a house on the Jail Road.
3460	0·53	The building in front of the Palace which is occupied by the Police guards at present shall remain the property of the Maharaja but it shall remain in occupation of the Police guards of the Palace and shall be

1		2
Plot No.	*Area in acres*	*Description*
		used for this purpose or for purposes ancillary thereto. No rent will be charged.
3196 / 4821		The upper or the lower portion of the guest house (which has been recognised as Maharaja's private property) will be used by Government as Circuit House so long as the new Circuit House is not built.
2640	0·30	This will in due course be given by the Maharaja as a gift in favour of the Girls' School on certain conditions.
4017	0·72	This building is situated on the Post Office Road.
4132	0·39	The Shikar Quarters in Post office mohalla.
2577	0·18	Sanskrit Pathshala building.
3196	26·01	Palace.
3196 / 4817	0·87	Hata and garden on the Palace Road.
1177	0·72	Plot of land standing in the name of Shri Ambikeshwar Saran Singh Deo.
2313	1·60	Temple with compound.
2398	0·78	Temple with compound.
4539	0·09	Samadhi.
4540	0·02	Samadhi.
4541	0·01	Samadhi.
3196 / 4820	1·65	Temple.
3196 / 4824	1·16	Temple.

The tanks will be the private property of the Maharaja, subject to the nistar rights of the Public, as at present.

(3) The Goshala Cattle will graze free of any charge in the land adjacent to the Goshala.

(4) Half the number of garages at present in the State will be the private property of the Maharaja.

(5) Four horses. Half of the compound and building behind the front building shall be Maharaja's private property.

(6) Free supply of electricity from the power plant up to a fixed limit, shooting rights wherever he likes in the forest of the State, reservation of a portion of the forests for fodder of animals, fuel free of charge for his own use and of Palace.

The following property situated in Ambikapur has been treated as the Maharaja's private property:

S.No.	*Plot No.*	*Kind of land*	*Area of Land*
1.	1893	Gaushala Hata	6·28 dec.
2.	2027	"	63·62
3.	1178	Phulwadi	5·00
4.	2822	Badi	0·36
5.	2837	Phulwadi	0·14
6.	3323	"	2·48
7.	3531	"	4·9
8.	3533	Bagicha	2·78
9.	4011	"	0·86
10.	4018	"	3·31
11.	4531	"	2·11
12.	3196 / 4822	"	1·35
13.	844	Badi	0·17
14.	570	"	0·10
15.	2487	"	0·21

1			2
	S. No.	*Plot No.*	*Kind of Land*	*Area of land*
	16.	4526	Badi	3·05
	17.	4534	"	1·05
	18.	2485	"	1·72
	19.	2484	"	2·84
	20.	2818	"	0·40
	21.	2772	"	0·17
	22.	2844	"	0·51
	23.	3535	Bandh Ar.	0·36
	24.	3536	Bandh	0·62
	25.	3867	Badi	0·4
	26.	4025	"	0·3
	27.	1912	Chanwar Doam.	0·16
		1893		
	28.	——	"	1·62
		4777		
		2805		
	29.	——	"	0·15
		4828		
	30.	2807	Talab Ar.	0·86
	31.	2812	Badi	0·40
		2602		
	32	——	Talab	7·51
		10		
	33.	2815	Badi	0·10
	34.	2827	"	6·92
	35.	2829	"	1·39
	36.	2835	"	0·3
	37.	4537	TalabAr.	2·67
	38.	4538	Talab	5·50
		3196		
	39.	——	Hata	4·83
		4813		
		3196		
	40.	——	Badi	0·57
		4818		
	41.	2823	"	1·60
	42.	2825	"	0·43
	43.	3385	Talab Ar.	2·14
	44.	3455	"	1·6
	45.	3466	Talab	6·68
	46.	3469	Talab Ar.	6·24
	47.	3467	Talab	52·06
	48.	2567	Badi	0·12
	49.	2641	"	0·8
	50.	2604	Hata	0·13
	51.	2634	Badi	0·15
	52.	847	"	0·9
	53.	2540	Babra awal	10·8
	54.	2541	"	1·26
	55.	2803	Chanwarawal	0·70
	56.	2783	Bahraawal	0·95
	57.	2784	"	2·17
	58.	2805	Chanwar doam	1·61
	59.	4441	Bahra awal	2·17
	60.	4463	Chanwar doam	1·78
	61.	4430	" awal	0·36
	62.	4454	Babra awal	2·8
	63.	2217	Chanwar awal	0·20
	64.	2218	Chanwar doam	0·54
	65.	4564	Bahra doam	1·01
	66.	4565	Bahraawal	2·01
	67.	4569	Bahra doam	0·28
	68.	4570	Bahraawal	1·98
	69.	2542	Chanwar awal	0·58
	70.	2025	Bhatbaawal	0·8
	71.	2024	DandDoam	0·6
	72.	4621	Bhathadoam	0·21

1	2			
	S. No.	*Plot No.*	*Kind of Land*	*Area of land*
	73.	4622	Bhatha awal	0·30
	74.	4624	Chanwar doam.	0·70
	75.	4625	Bhatha awal	1·50
	76.	4543	Bhatha doam	0·63
	77.	4544	Dand doam	0·15
	78.	4545	Bhatha doam	0·11
	79.	4546	Dand awal	0·43
	80.	2543	Dand doam	0·27
	81.	2544	Bohra awal	0·10
	82.	2266	Chanwar doam	0·78
	83.	2278	" "	0·35
	84.	4571	Bahara awal	1·23
	85.	4577	" "	0·14
	86.	4578	Chanwar awal	0·98
	87.	2304	Dand doam	0·26
	1.	179	Badi	15·66
	2.	180	Makan	0·01

recorded in the name of Yuvrani Shahiba w/o Heir apparent.

(7) 117 Villages in Pilkha Tappa are held by Shrimati Rani Krishnakumari Devi, wife of Heir apparent.

(8) Villages Katkalo, Sur and Sontarai in the name of Shrimati Dowager Bade Maharani Mai Sahiba as jagir grant for her lifetime only.

(9) Villages Boda, Sarmana and Bilaspur in the name of Chhote Dowager Maharani Mai Sahiba as jagir grant for her lifetime only.

(10) Ramanujganj guest house will be the private property of the Maharaja but State officials will be allowed to stay in it free of charge.

(11) The Maharaja will have the first priority to use the camping grounds.

3. Jashpur

(1) New temporary palace at Jashpurnagar.
(2) Old Palace and attached sheds and buildings.
(3) Panchakki Upper Bangalow.
(4) Panchakki Lower Bangalow.
(5) Konjara bangalow old.
(6) Elephants' shed in Jashpurnagar.
(7) Pony shed at Jashpurnagar.
(8) Cow shed at Jashpurnagar (at Bankitoli).
(9) Motor garage near old palace,
(10) Koti.
(11) Old power house.
(12) Old Palace servants' quarters.
(13) Bhandar houses of all private bhandars.
(14) Old quarters of the Private Secretary of the Ruler.
(15) Courts and offices located in the old palace.
(16) Elephants, ponies, cows, bulls etc.
(17) All gardens (except the new Jail garden and the nursery managed by the Jail).
(18) 4 golden charis, 1 easy chair, 1 gilden table, 2 silver bowdas and 1 golden tamjam.
(19) 5 shamianas, 5 tents, 5 servants' pals, 5 necessary tents, 3 kalins and as many durries out of the 37 as are required for tents and shamianas, tigerskins and the Ruler's trophies.
(20) Motor carr, income from the Raniwas Estate villages (which was given to the Rani as 'stridhan'.)

4. Kanker

(1) Old palace opposite the old Bhandar and Nazarbag.
(2) Old Bhandar and Nazarbag and lands attached to the Bhandar but situated on the other side of the River Dudh.
(3) Old palace, and another old palace which was occupied by the late junior Rajmata Sahiba.
(4) The old guest house which is at present the residence of the Ruler including grounds, the whole garden compound and out houses, adjacent farm behind the compound.

1	2
	(5) the Dhamtari Bada with adjacent land. (6) Motor garages and stables. (7) 8 Villages which are held as muafi by the Ruler. (8) Civil List Reserve Fund of Rs. 4,50,000. (9) Cows which are in the dairy with their calves, tongas, and baggis, motor vehicles and three typewriters.
5. Kawardha	(1) The Palace with its fixtures, together with its lands, compound, out houses, stables etc. (2) The Baoli Garden with its fixtures *e.g.*, Steam Engine and the buildings there. (3) Darbar Bungalow on the North near the Palace. (4) The Gaddi with its paraphernalia. (5) One jeep car No. 12 with trailor and spare parts. One generator machine complete. (6) Livestock consisting of elephants and horses, one tonga and one Tamtum. (7) Tents and Chholdaries (four in number). (8) The site in the old Basti and its ruined buildings. (9) Rs. 1 lakh Civil List Reserve Fund.
6. Khairagarh	(1) Muafi rights in the following villages held by the Ruler alongwith village Varas, Baur gardens etc: (i) Mandla. (ii) Khairagarh. (iii) Udaipur. (iv) Ranbirpur. (v) Umraonagar. (vi) Kacggba. (vii) Pendri Chhapar. (2) *Buildings and Parks*: (1) Kamal Vilas Palace and annexes including other buildings. (2) Drupad Bhawan. (3) Bungalow occupied by the Private Secy. at Khairagarh. (4) Lal Niwas, Dongargarha. (5) Bada and stables etc. at Dongargarha. (6) Lachna Shikar Reet House. (7) House opposite to Khairagarh Hospital. (8) Khamaria guest house. (9) Cemetary. (10) Temples. (11) Gardens *viz.* Maharaj Bagh, Ranibagh, Ramanujbagh, plots opposite Jail with poultry farm, and other vacant plots of Khairagarh town except nazul held by the Ruler as Gaonti of Khairagarh. (12) The following fields and plots:

Name		*Khasra No.*
Piparia	Khirabai	1264
		1257/1/1
		1267/2
	Piparia bai. 8	1268
		1285
		1283
		107
		110/1
		131/141
		155
Khamteria.	Laraban	114/1
		16
		17
		20
		91
		124/1
		124/2
Mongra		63
		64

1	2		
	Name		*Khasra No.*
			70
			71
			73
			74
			159
			163
	Akarjan Chandelinbai.		683
	Dejaka ..	Basantabaiwale	490
	Khairagarh Khas	Nalihadi	342
			346/1
			346/2
			355/1
			356/1
		Kuwaripat	356/2
			357
			359
		Near Amlipara	380
	Dhaneli . .	Lal Dharmadhwajsshingbwale	10
			16
			170
	Sardi .	State garden	443
	Mudper .	Basantabaiwale	144
	Gaharatola .		236
			237
	Silpatti		324
			337
			601
			620
			632
	Dundu .		113
	Dhanegaon		115
			59
	Dongargarh .		176
	Kharakatola .	in Raiyati rights	77
	Sono Sarar .	in Raiyati rights	255

(13) Pasture Banjar lands in Bikrampur 183·42 acres only

(14) The Khamaria Khd. Tahsil buildings will remain the State property so long it is needed for the tahsil building and station house. It will be restored to the Ruler without claiming any compensation when it is not required for the tahsil offices and station house.

(3) *Other items :*

(i) Gold ground, Khamaria (Khairagarh Tahsil).

(ii) 100 Preferential shares of the Bharat Bank Ltd.

The claim of the Ruler to recover from the Geontias the profits of the following villages as the superior holder is admitted :

(i) Madoda.

(ii) Raherbhata.

(4) *Civil List Reserve Fund:*

(a) Fixed deposit—Rs. 1 Lakh in the Bank at Dongargarh.

(b) Post Office National Savings Certificates worth Rs. 50,000.

(c) Cash with the Imperial Bank of India, Raipur Rs. 15,000.

(d) Cash with the Allahabad Bank, Ltd., Raipur Rs. 15,000.

(NOTE.—These sums are subject to withdrawals already made by the Ruler).

(e) All life insurance policies held in the name of the Rāja, all endowment policies created by him in the name of his wife, sons and daughters for their education and marriage.

7. Udaipur. . *Land.* No. 3—Khamgada raiyati land—area 198·70

(a) Vijaynagar, consisting of old villages of Sur, Kom and Kandraja, and

1	2
	(b) Purunga. (c) 259·72 acres of land near Kodwaripara in Dharmjaygh on Pathalgaon road. (1) Old palace occupied by Senior Rajmata, including, attached quarters, compound, garden mango grove, etc. and all space on the left side of the road. (2) Houses including compound and gardens etc. occupied by the four Rajmatas. (3) Quarters at present occupied by the private Secretary to the Senior Rajmata, including compound and garden. (4) Building near Kanjinalla used as summer residence of the Senior Rajmata. (5) A house named "Auchindoon" at Ootacamund. (6) Building of Kumar Vijay Singh (Old Guest House) with surrounding Buildings and plots Area 76·6 acres. (7) House and adjoining site formerly known as the house of Mr. Vatjang Mavji. Area 1·27 acres. (8) Store House and servants' quarters of Badi (Senior) Rajmata behind the house occupied by her Secretary. *Civil List Reserve Fund Rs. 5 lakhs* *Securities.* (1) 3% Loan 1949-52 . Rs. 50,000/. . Rs. 5,000/. 3% Defence Bonds 1946 . Rs. 50·000/. 3% Loan 1953-55 . . Rs. 25,000/. 3% Conversion Loan 1946 . Re. 25,000/. National Savings Certificates Rs. 20,000/. Post Office Savings Certificates Rs. 5,000/. 1 lakhs of rupees worth of bonds in name of second son. *Tents and motor cars.* 2 tents, 4 chhoklaris. All motor vehicles except truck No. b and jeep No f 2 elephants.
8. Sakti	(1) Palace with its appurtenances, premises and out houses. (2) Old palace in Khasra No. 118. (3) New palace over 2·10 acres. (4) Servants' quarters in Khasra Nos. 62, 63, 84 and 1084. Stable on Khasra No. 77. Store Room on Khasra No. 75. (5) Building where School is situated—Khasra No. 68/2. (6) Servants' quarters on Khasra Nos. 78, 88, 83 to 86, 93 and 321. (7) Building where the Chief Medical Officer resides—Khasra No. 714/1. (8) Nurses Quarter—Khasra No. 298/3. (9) House at Turri. (10) Rajamandir at Sakti. (11) Orange garden, Khasra Nos. 929, 930 and 931; total area 0·)5 acres. (12) (a) Khata No. 50. area 1·12 acres, in village Khandanara. (b) Mouza Sonthi—Khata No. 5, area 7·27 acres. (c) Mouza Birdihi—Khata No. 3, area 2·97 acres. (d) Mouza Sipahaimuda—Khata No. 32, area 0·14 acres. (e) Mouza Borda—Khata No. 3, area 21·71 acres. (f) Mouza Nandeli, Khata No. 2, area 7·76 acres. (g) Chamarhab—Khata No. 40, area 2·99 acres. (h) Mouza Salihabbata—Khata No. 19, area 5·95 acres. (i) Mouza Nagarda—Khata No. 117, area 0·25 acres. (j) Mouza Sakreli Khurda—Khata No. 56. area 0·52 acres. (k) Mouza Sakti—Khata No. 4, area 132·35 acres. (13) Plots.— (1) Plaace and its compound Nos 107 to 126. Nos. 273 to 279. Nos. 289 to 290/1. Nos. 295/3, 298 to 311, 312/1, 313, 314, 315/1, 316, 317, and 318/1. (2) Plot marked 'A' in map Nos. 49 and 51.

1	2
	(3) Plot marked 'B' in map Nos. 53,54, 55, 50/1, 58/1 and 59/1 (4) Plot marked 'C' Servants' quarters, Nos. 62, 63, 64/a and 1084. (5) Plot marked 'D' and 'H' Servants' quarters Nos. 68/1, 68/2, 73/2, 76, 77, 78 and 79. (6) Plot marked 'G' No. 88. (7) Plot marked 'N' No. 93. (8) Plot marked 'E' servants' quarter Nos. 83 to 86. (9) Plot marked 'L' Nos. 281, 282, 283, 284, 285/1, 286/1 and 287/1. (10) Plot marked 'W' Nos. 298/3, area 0·07 acres. (11) Plot marked 'F' Nos. 321, 322/1, 323/3, 324/1. (12) Plot marked 'R' Nos. 714/1 and 1091. (13) A part of old palace garden near Bazar, No. 159/1. (14) A part of old palace garden on Bazar road, No. 401. (15) Plot for which land is given in exchange in old garden on Bazar road, No. 484/1. (16) Plot Nos. 179, 1022, and (17) Plot Nos. 715/1, 715/2. (14) House site plot at Narsinghpur near Jhirna. (15) Raj family mortuary. (16) Muafi lands in possession of personal servants. (17) The shares of Western India Tanneries. (18) Civil List Reserve Fund:—Rs. 1,02,000/. (19) *Securities*: 3½% Promissory Notes worth Rs. 8,000/.- 3% War loans worth Rs. 25,000/. 3% War loan worth Rs. 30,000/. 3% Victory loan worth Rs. 8,000/. Share to the extent of Rs. 20,000 in State Co. operative Bank.
9. Chanyabakhar	(1) The house under construction at Shahdol. (2) Personal deposit of Rs. 6,000/. (3) One elephant Dashrathgaj, and horses. (4) One jeep car. (5) The house in which the Ruler lives. (6) Zakhiras (Horne farms). (7) Guns with ruler, darbar saman, petromaxes, tents, godowns of Janakpur and Bharatpur, furniture in Ruler's house and tanks No. 96 at Bharatpur and 274 at Kanauj. (8) Bhumka granary, electric machine with equipment, water pump. (9) Rs 22,500/ for the construction of his place and Muafi rights in 12 villages.
10. Sarangarh	(1) Muafi rights in the following 6 villages: (*i*) Sarangarh, (*ii*) Ranisagar Sarangarh, (*iii*) Amethi, (*iv*) Donsara, (*v*) Andola, and (*vi*) Bhakurra. (2) Following securities: 3% Victory Loan 1957 Agg. Rs. 1,00,000/-. 3% Loan 1953-55 Agg. Rs. 60,000/-. 3% Victory Loan 1957 Agg. Rs. 50,000/-. 3% Second Victory Loan 1959-61 Rs. 1,50,000/-. (3) Civil List Reserve Fund of Rs. 3 lakhs. (4) The Oriyllas Palace at Sarangarh with all its annexes, garages, stables, gardens, furniture etc. (5) Deoghara temple. (6) Cinema Projector. (7) Life Insurance policy for Rs. 50,000/.
11. Raigarh	(1) Rs. 2,70,548 /12/- as Civil List Reserve Fund. (2) The following buildings: (1) Motimahal (2) Old palaces adjoining Motimahal. (3) Badal Mahal. (4) Motor Garage building. (5) Servants' quarters near Badal Mahal. (6) Old Servants' quarters near Sarai. (7) Thakur Sahib Wala quarter. (8) Pila Lal's quarter and palace garden.

1	2
	(9) Stables and stable gardens. (10) Two staff quarters in Dhobipara. (11) One house in the Jaisingh Talao. (12) One house in Madhuban para. (13) One house adjoining motor garage. (14) Boiddadar bungalow (3 miles from Raigarh). (15) Lailunga palace and annexe. (16) All the Rajkiya articles except the tents and shamianas. (17) Four motor vehicles. (18) All elephants and horses.
12. Korea	(1) Rs. 5 lakhs securities and Rs. 50,000 Civil List Reserve Fund (2) 1 ton coal per month from Charcha mines free of royalty. (3) Khanar lands at— (i) Baikunthpur, (ii) Salka (Bhanderpara), (iii) Targawan, (iv) Sonhat, (v) Kadlabpur, (vi) Sagarpur, and (vii) Basti, including lands let on to Shikmi tenants. (4) Farm houses (Bhandara), out houses, cattle sheds and fuel godowns, etc. belonging to the above estates. (5) Tanks and Bandhs (embankments) belonging to the above Khamar lands, subject to the nistar rights etc. (6) Mango groves and fruit bearing and other trees belonging to the lands known as khamar lands. (7) Palace, its out-houses including the Palace Garage and Palace cattle-shed etc., palace guest house, palace gardens, the Durbarground, the Palace Tennis Court and the Old Palace. (8) Tanks (Ramsagar, Jehal Tals, Koreasagar) subject to nistar rights. (9) Palace temple at Baikunthpur and Quarters near the Palace at present occupied by the private staff, i.e. by the Private Secy. (10) Shikar bungalows and their out-houses. (11) Shooting blocks (baids) at Mendra (near Khilhari) and Ramgarh. (12) Muafi rights of certain villages. (13) House at Ootacamund known as 'BONESIOR' with its out-houses and lands. (14) House at Delhi. (15) Following securities and cash balances of the Ruler: (a) Current deposits . . . . . Rs. 10,083 (b) Fixed deposits . . . . . Rs. 1,50,000 (c) Aggregate value of stocks and shares . Rs. 1,19,800
13. Chhuikhadan	(1) Palace and garden. (2) Gardens at villages Kondka, Chhuikhadan, Gopalpur, Lachhmanpur, Amgaon, Sitadhari, and Bidora. (3) Tahsildar's quarter in the capital. (4) Chhuikhadan House at Raipur. (5) Rs. 50,000 for Ruler's marriage expenses and Rs. 30,000 for building a palace. (6) Civil List Reserve Fund Rs. 21,000 (7) Rs. 20,000 as shares invested in two companies.
14. Bastar	(1) The Guest house. (2) Rest house at Amravati. (3) New palace site situated at the Sargpal reserve. (4) Two sheds giving shelter to the aborigines on the Dashera. (5) Three trucks and the Ford Mercury car from the State garage. (6) Malba-Kote Mango Tope. (7) Brindaban Mango Tope. (8) Khadakghat cocoanut garden. (9) Hikmipara Orange Garden. (10) Hikmipara Mango Tope. (11) Pan garden near the power house. (12) Rest House at Bailadila. (13) The shed in the Kaumbdakote village. (14) The lands below the Samunder tank bund. (15) The Bastar houses situated in Dhamtari, Raipur and Ootacamund. (16) Certain Muafi villages. (17) Civil List Reserve Fund Rs. 1,50,000

Seth Govind Das' Unstarred Question No of 4 of 30th August 1948

ALL-INDIA LABOUR ORANISATIONS

[*Statement not printed in the day's Debate. A Copy placed in the Library of the House*]

Shri V. C. Kesava Rao's Starred Question No. 630 *and* 631(a) *and* (c) *of* 31*st August*, 1948.

CRIMINAL TRIBES

No. 630.—As already announced on the 11th February, 1949, a Committee is being appointed to enquire into the working of the Criminal Tribes Act in the Provinces to see how far it can be modified or whether time has come for its repeal. This Committee will no doubt consider the question of reclassification of the Criminal Tribes in Chief Commissioners' Provinces as well. At present so far as Chief Commissioners' Provinces are concerned the position is that there are no criminal tribes in Coorg and Andamands. In the remaining provinces of Delhi and Ajmer-Merwara the following steps are, however, taken to reclaim them :

Delhi.—(a) *Education.*—All the children between the ages of six and twelve are given compulsory education in a Primary School run by Municipal Committee, Delhi within the Colony. The adults who are illiterate are given free education in a Night School which is run by the Delhi Students Literacy League. The number of pupils is 22.

(b) *Employment and work for Elders.*—Efforts have been made to procure employment for those who stand in need of it. As a result of these efforts 31 adults are at present employed in different capacities in Delhi and New Delhi and are earning their livelihood by honest means.

(c) *Co-Operative Movements.*—A Co-operative Store and a Co-operative Credit and Thrift Society are successfully functioning for the benefit of criminal tribes.

(d) *Sanitation.*—Special care is being taken for encouraging cleanliness among the inmates of the colony.

(e) *Religious Performances.*—Daily prayers morning and evening both with weekly 'Hawans' are performed by criminal tribes in the Colony ground regularly.

Ajmer-Merwara.—All Possible Efforts are being made to reform the criminal tribes. They mostly live on cultivation. Those who show signs of reform are being given facilities and assistance to enter Government and private service as well as to cultivate land by improved methods. Panchayats have also been formed amongst them and through the Panchayatsystem, the importance of improving their standard of living and of reforming themselves is being brough thome to them.

RESETTLEMENT OF RETRENCHED GOVERNMENT EMPLOYEES

No. 631.—(a) 16,387 temporary employees have been retrenched from the Government service since partition of the country. This does not include information relating to the Armed Forces or Civilian employees under the Defence Ministry in the lower formations.

(c) Information relating to the number of persons resettled through the efforts of Government agencies is not complete as the Employment Exchanges which have so far formed the main agency for resettlement of retrenched personnel do not maintain separate statistics for Central Government employees. As far as the offices from which retrenchment has taken place are aware, over 6300 persons have been re-employed in Government of India offices through the efforts of Government agencies.

Shri Motori Satyanarayana's Starred Question No. 911 of 4th September 1948.

EXPENDITURE ON RAILWAY EMPLOYEES

(a) The information asked for is given below :

	1939	1943	1947
	Rs.	Rs.	Rs
(*i*) General Administration.	1,792	1,640	1,821
(*ii*) Engineering and Technical personnel	438	501	563
(*iii*) Traffic Department . . .	558	610	633

(b) The average number of men employed for every 100 miles of track during the years 1939 1943 and 1947 was 1,350, 1,600 and 2,030 respectively.

Shri Biswanath Das Starred Question No. 7 (d) to (h) of 1st February 1949.

CENTRE'S AID TO MEET BUDGET DEFICIT IN ORISSA STATES AND DISBURSEMENT OF LARGE SUMS BY EX-RULERS.

(d) Several schemes on a three years plan beginning from the year 1949-50 for development of the merged States of Orissa are under consideration. Also the approved Grow More Food Schemes of the province have been extended to these States.

(e) and (f), A statement showing the reserve fund on 15th November 1947, kept in Banks and amounts drawn by Rulers before handing over the administration of the State to Orissa Government on the 1st January 1948 is attached.

(g) Some of the Advisory Committees and some members of the States Assembly drew the attention of the Provincial Government to this matter.

(h) No final decisions have been taken so far, because the Provincial Government have been awaiting the result of the audit which is in progress. The monetary transactions entered and other commitments made by the Rulers before the merger are also being examined by the Adviser for States.

Statement

Serial No.	Name of States	Reserve fund if any kept in the Reserve Bank of India or in Imperial Bank or any Scheduled Bank by the previous Admn. before the 15th Nov. 1947 either in the name of a State or in the name of the Ruler.	The amount drawn by before handing over the admo. of the State to Orissa Govt. on the 1st January, 1948.
1	2	3	4
		Rs. As. Ps.	Rs. As. Ps.
1	Keonjhar	7,84,800 0 0	*Nil*
2	Hindol	*Nil*	*Nil*
3	Boud	*Nil*	*Nil*
4	Dhenkanal	5,48,815 10 0	8,27,449 15 4
5	Rampur	30,000 0 0	24,000 0 0
6	Bamra	2,00,000 0 0	*Nil*
7	Nilgiri	1,95,626 9 9	*Nil*
8	Nayagarh	1,32,400 0 0	4,28,226 6 3
9	Sonepur	*Nil*	5,98,673 0 0
10	Bonai	3,12,000 0 0	1,68,000 0 0
11	Baspalla	*Nil*	No.
12	Talcher	*Nil*	1,79,635 12 2 in cash and 1,25,000 0 0 in form of Defence Bond.
13	Khandpara	*Nil*	1,06,778 5 0
14	Athmallik	2,79,037 0 0	No.
15	Narsingpur	46,600 0 0	2,41,199 6 0
16	Sundargarh	15,41,200 0 0	1,27,217 13 0
17	Tigiria	74,000 0 0	10,300 0 0
18	Athgarh	2,40,000 0 0	3,005 0 0
19	Pallahara	59,000 0 0	1,16,880 0 0
20	Kalahandi	11,00,000 0 0	Large sums were drawn and disbursed. Note: less than Rs. 12 lacs.
21	Rairakhol	*Nil*	14,399 12 0
22	Balangir-Patna	31,25,600 0 0	3,94,734 15 2
23	Baramba	23,000 0 0	*Nil*
	Total	85,94,579 3 9	33,65,500 6 0

Srijut Rohini Kumar Chowdhuri's Starred Question No. 152 of 4th February 1949.

LUNATIC ASYLUMS AND MENTAL HOSPITALS.

Total number of persons of unsound mind who are confined or are undergoing treatment in different lunatic asylums and mental hospitals in India	Number of patients declared to be persons of unsound mind by competent courts.	Total number of Government and Government aided Institutions.	Percentage of the total No. of persons of unsound mind who are looked after or are treated in asylums and hospitals.
10,750	9,859	Government Institutions .. 14 Govt. aided Institutions .. 4	Not known as the total number of persons of unsound mind in India is not available.

Supplementary to Shri M. Ananthasayanam Ayyangar's Starred Question No. 158 of 4th February, 1949.

COMMITTEE TO ENQUIRE INTO WORKING OF CRIMINAL TRIBES ACT

Views of the Provincial Governments regarding the proposal to repeal the Criminal Tribes Act, 1924

In the year 1946, the Government of India had called for the views of the Provincial Governments and Chief Commissioners regarding the proposed repeal of the Criminal Tribes Act, 1924. Central Provinces and Berar and Coorg had no comments to offer as they have no criminal tribes. Madras was in favour of the repeal of the Act. The Punjab, Bombay, Assam, Ajmer-Merwara and Delhi were opposed to the repeal of the Act. The United Provinces, Bengal, Orissa and Bihar did not furnish their views.

2. On a very recent enquiry made by us of the Provincial Governments whether they promoted or passed any legislation modifying or repealing the Act during 1947 and 1948 it appears that with the exception of Madras and Bombay no other province has promoted or passed legislation modifying or repealing the Act. Replies from the United Provinces and Central Provinces and Berar are still awaited. Madras have repealed the Act in its application to that province in the year 1947. Bombay have passed the Habitual Offenders Restriction Act in December 1947 which contains provision for the repeal of the Criminal Tribes Act not later than two years from the date of coming into operation of the Habitual Offenders Restriction Act. Thus, with the exception of Madras and Bombay (who have either repealed or made provision for the repeal of the Act) and the United Provinces and Central Provinces and Berar (whose replies are still awaited), all the other provinces are obviously still in favour of retaining the Criminal Tribes Act.

Supplementaries to Shri R. K. Sidhva's Starred Question No. 227 of 9th February, 1949.

HOUSES OF RULERS OF STATES IN DELHI AND BOMBAY.

1. Bikaner House 2. Hyderabad House 3. Travancore House 4. Baroda House 5. Jaisalmer House 6. Jaipur House 7. Kashmir House 8. Bahawalpur House 9. Tehri House 10. Cochin House 11. 3, Metcalf Road (Belonging to Sikar)	Government have no information whether these are Rulers' private property or State property.
12. Houses Nos. 1020 to 1076, 7374 to 7386	Stand in the name of the son of Nawab of Bahawalpur
13. 37, Rajpur Road	Gwalior State.
14. Jind House 15. Patiala House	The question whether these are State property or Rulers' private property has not yet been settled.
16. House Nos. 1336, 1005 and 1006	His Highness the Maharaja of Patiala.
17. 16, Rajpur Road	His Highness the Maharana of Udaipur.

Shri Lalshminarayan Sahu's Starred Question No. 579 of 22nd February, 1949.

CONSUMPTION OF BHANG, CHARAS AND GANJA IN CENTRALLY ADMINISTERED AREAS

Three statements giving the required information are laid on the table of the House.

Statement I

Showing the consumption of Bhang, Charas and Ganja in the Provinces of Delhi, Ajmer-Merwara and Coorg during the year 1947-48

	Bhang		Charas		Ganja	
	Mds.	Srs.	Mds.	Srs.	Mds.	Srs.
Delhi	205	35	*Nil*		*Nil*	
Ajmer-Merwara	123	15	*Nil*		13	32
Coorg	*Nil*		*Nil*		21	0

Statement II

Showing the average per capita consumption of Bhang, Charas, and Ganja in the Provinces of Delhi, Ajmer-Merwara and Coorg during the year 1947-48

	Bhang (in tolas)	Charas (in tolas)	Ganja (in tolas)
Delhi	·7	*Nil*	*Nil*
Ajmer-Merwara	·7	*Nil*	·08
Coorg	*Nil*	*Nil*	0·4

Statement III

Statistics the consumption of Bhang, Charas and Ganja for the years 1938-39 to 1947-48 in the Provinces of India

No.	Province	1938-39			1939-40			1940-41			1941-42			1942-43		
		Bhang	Charas	Ganja	Bhang	Charas	Ganja	Bhang	Charas	Ganja	Bhang	Charas	Ganja	Bhang	Charas	Ganja
		M. S.	M. S.	M. S.	M. S.	M. S.	M. S.	M. S.	M. S.	M. S.	M. S.	M. S.	M. S.	M. S.	M. S.	M. S.
1.	Madras	78-12	Nil	819-25	31-27	Nil	721-10	42-33	Nil	711-14	52-11	Nil	758-24	48-11	Nil	780-3
2.	Bombay	189-16	140-17	555-34	181-31	82-3	419-3	118-1	Nil	522-17	134-0	Nil	664-24	140.27	Nil	864-5
3.	West Bengal	208-0	18-32	521-36	196.11	22-31	540-39	201-2	19-31	56553	205-27	11-7	590-36	228-22	0-2	691-10
4.	United Provinces	2208-12	465-27	201-19	2110-23	338-30	201-23	2250-4	281-3	157-30	2338-22	247-10	180-29	2542-27	102.30	356-10
5.	East Punjab	757-23	1124-2	Nil	711-12	681-3	Nil	1196-16	568.16	Nil	2373-4	510-28	Nil	2097-6	27-15	Nil
6.	C.P. and Berar	84-23	30-36	305-10	108-11	Nil	288-9	94-12	Nil	306-34	70-26	Nil	309-36	70-25	Nil	359-36
7.	Bihar	219-1	Nil	512.26	237.38	Nil	719-16	206.20	Nil	467-14	223-30	Nil	476-11	247-6	Nil	380-9
8.	Orissa	96-18	Nil	224-36	104-29	Nil	213-29	87-30	Nil	194-16	93-33	Nil	196-9	114-31	Nil	197-36
9.	Assam	1-4	Nil	303-10	0-38	Nil	306-14	1-9	Nil	316-11	1-5	Nil	324-28	1-2	Nil	408-30
10.	Delhi	125-23	36.8	Nil	180-4	44-35	Nil	102-13	56-1	Nil	92-15	56-26	Nil	94-30	19.20	Nil
11.	Ajmer-Merwara	08-30	20-10	1-16	73-13	16-34	1-30	81-3	13-5	2-5	86-21	18-19	3-0	78-9	4-30	4-9
12.	Coorg	Nil	Nil	4-16	Nil	Nil	4-0	Nil	Nil	3-21	Nil	Nil	5-16	Nil	Nil	5-34
13.	Panath-Piploda	0-10	Nil	1-9	0-15	Nil	1-0	0.10	Nil	1-0	0-10	Nil	0-20	0-20	Nil	1-0

No.	Province	1943-44			1944-45			1945-46			1946-47			1947-48		
		Bhang	Charas	Ganja	Bhang	Charas	Ganja	Bhang	Charas	Ganja	Bhang	Charas	Ganja	Bhang	Charas	Ganja
		M. S.	M. S.	M. S.	M. S.	M. S.	M. S.	M. S.	M. S.	M. S.	M. S.	M. S.	M. S.	M. S.	M. S.	M. S.
1.	Madras	94-5	Nil	951-38	136.2	Nil	944.15	135-15	Nil	994-13	113-31	Nil	791-24	127-1	Nil	410-32
2.	Bombay	144-18	Nil	940.12	144-15	Nil	1020.26	159-1	Nil	1270-38	174-33	Nil	1153-10	53-24	Nil	312-12
3.	West Bengal	308-6	Nil	730-1	271-1	Nil	694.23	263-11	Nil	702-36	268.25	Nil	709.25	292-16	Nil	688-39
4.	United Provinces	3473-8	5.0-20	967-6	3985-3	1-31	821-3	3810-14	Nil	772.32	3972-13	Nil	1007-1	3812-20	Nil	567-30
5.	East Punjab	2570-34	0-7	Nil	389-37	Nil	Nil	48.028	Nil	Nil	557-24	Nil	Nil	147-31	Nil	Nil
6.	C.P. and Berar	86-6	Nil	347-38	78-23	Nil	638.5	66-1	Nil	648.10	65-26	Nil	698-6	76-28	Nil	712-16
7.	Bihar	304.25	Nil	382-4	363-36	Nil	554.26	340-39	Nil	517-31	407-23	Nil	536-30	414-10	Nil	612-24
8.	Orissa	169.18	Nil	252-6	90-13	Nil	206-0	81-34	Nil	258-16	90-7	Nil	270-3	112-6	Nil	282-3
9.	Assam	0.14	Nil	369.11	Nil	Nil	240.20	Nil	Nil	245-39	Nil	Nil	198-36	Nil	Nil	231-16
10.	Delhi	115-33	Nil	Nil	204-30	Nil	Nil	94-37	Nil	Nil	169-20	Nil	Nil	205-36	Nil	Nil
11.	Ajmer Merwara	148-30	0-0	13-6	92-28	Nil	52-36	70.37	Nil	28-9	127-9	Nil	28-11	128-15	Nil	12-32
12.	Coorg	Nil	Nil	21-26	Nil	Nil	17-31	Nil	Nil	9-21	Nil	Nil	17-15	Nil	Nil	21-0
13.	Panath Piploda	0-38	Nil	1-10	0-20	Nil	1-15	1-20	Nil	2-0	0-20	Nil	2-0	1-0	Nil	2-0

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CONTRACT WITH MESSRS. A.H. WHEELER AND COMPANY.

Thelast Contract on the G. I. P. Rialway was entered into on 1st January, 1946.

SHORT NOTICE QUESTION AND ANSWER

TRANSFER FROM PAKISTAN OF KASHMIRI HARIJANS AND OTHER NON-MUSLIMS

Dr. Mono Mohan Das: (a) Will the Honourable Minister of Relief and Rehabilitation be pleased to state whether the attention of Government has been drawn to the news, published in the *Hindustan Times*, dated 1st March, 1949, on page 8, column 5, to the effect that "a large number of Harijans, belonging to Kashmir State are in Murree and Rawalpindi. The Government of India has been urged to make arrangements for their transfer"?

(b) If so, how far is it correct?

(c) What have Government done or propose to do in this matter?

The Honourable Shri Mohan Lal Saksena: (a) Yes.

(b) It is known that a number of non-Muslims belonging to Kashmir State are in Murree and Rawalpindi. Some of them are Harijans.

(c) The matter is under consideration.

Dr. Mono Mohan Das: May I know when we may get the correct information about the matter? After how many days?

The Honourable Shri Mohan Lal Saksena: It is difficult to give any idea as to how long it will take, but I can inform the honourable member that about twenty Harijans have been already evacuated and the matter may be taken up at the next Inter-Dominion Conference.

Wednesday
16th March, 1949

THE CONSTITUENT ASSEMBLY OF INDIA (LEGISLATIVE) DEBATES

(PART II—PROCEEDINGS OTHER THAN QUESTIONS AND ANSWERS)

Official Report

Volume II, 1949

(24th February, 1949 to 18th March, 1949)

Fourth Session

OF THE

CONSTITUENT ASSEMBLY OF INDIA (LEGISLATIVE)

1949

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CONSTITUENT ASSEMBLY OF INDIA (LEGISLATIVE) DEBATES

(PART II—PROCEEDINGS OTHER THAN QUESTIONS AND ANSWERS)

Wednesday, 16th March, 1949.

The Assembly met in the Assembly Chamber of the Council House at a Quarter to Eleven of the Clock, Mr. Speaker (The Honourable Mr. G. V. Mavalankar) in the Chair.

QUESTIONS AND ANSWERS

11-50 A.M. (*See Part I*)

THE GENERAL BUDGET—LIST OF DEMANDS—*contd.*

SECOND STAGE—*contd.*

Mr. Speaker: The House will take up the Demands for Grants in respect of Finance. I shall, therefore, place these Demands before the House, and in doing so I shall take the respective heads; and mention the amounts under each head.

DEMAND NO. 1—CUSTOMS.

Mr. Speaker: Motion is:

"That a sum not exceeding Rs. 1,46,74,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March, 1950, in respect of 'Customs'."

DEMAND NO. 2—CENTRAL EXCISE DUTIES.

Mr. Speaker: Motion is:

"That a sum not exceeding Rs. 3,45,78,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March, 1950, in respect of 'Central Excise Duties'."

DEMAND NO. 3—TAXES ON INCOME INCLUDING CORPORATION TAX.

Mr. Speaker: Motion is:

"That a sum not exceeding Rs. 1,87,06,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March, 1950, in respect of 'Taxes on Income including Corporation Tax'."

DEMAND NO. 4—OPIUM.

Mr. Speaker: Motion is:

"That a sum not exceeding Rs. 1,04,77,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March, 1950, in respect of 'Opium'."

DEMAND NO. 5—PROVINCIAL EXCISE.

Mr. Speaker: Motion is:

"That a sum not exceeding Rs. 3,30,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March 1950, in respect of 'Provincial Excise'."

DEMAND NO. 6—STAMPS.

Mr. Speaker: Motion is:

"That a sum not exceeding Rs. 1,06,21,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March, 1950, in respect of 'Stamps'."

DEMAND NO. 20—MINISTRY OF FINANCE.

Mr. Speaker: Motion is:

"That a sum not exceeding Rs. 94,50,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March, 1950, in respect of 'Ministry of Finance'."

DEMAND NO. 31—PAYMENTS TO OTHER GOVERNMENTS, DEPARTMENTS, ETC., ON ACCOUNT OF THE ADMINISTRATION OF AGENCY SUBJECTS AND MANAGEMENT OF TREASURIES.

Mr. Speaker: Motion is:

"That a sum not exceeding Rs. 18,73,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March, 1950, in respect of 'Payments to other Governments, Departments, etc., on Account of the Administration of Agency Subjects and Management of Treasuries'."

DEMAND NO. 32—AUDIT.

Mr. Speaker: Motion is:

"That a sum not exceeding Rs. 2,33,95,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March, 1950, in respect of 'Audit'."

DEMAND NO. 66—MISCELLANEOUS DEPARTMENTS.

Mr. Speaker: Motion is:

"That a sum not exceeding Rs. 1,69,37,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March 1950, in respect of 'Miscellaneous Departments'."

DEMAND NO. 67—CURRENCY.

Mr. Speaker: Motion is:

"That a sum not exceeding Rs. 92,22,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March, 1950, in respect of 'Currency'."

DEMAND NO. 68—MINT.

Mr. Speaker: Motion is:

"That a sum not exceeding Rs. 1,28,47,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March, 1950, in respect of 'Mint'."

DEMAND NO. 71—TERRITORIAL AND POLITICAL PENSIONS.

Mr. Speaker: Motion is:

"That a sum not exceeding Rs. 22,72,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March, 1950, in respect of 'Territorial and Political Pensions.'"

DEMAND NO. 72—SUPERANNUATION ALLOWANCES AND PENSIONS.

Mr. Speaker: Motion is:

"That a sum not exceeding Rs. 2,40,46,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March, 1950, in respect of 'Superannuation Allowances and Pensions'."

DEMAND NO. 74—MISCELLANEOUS.

Mr. Speaker: Motion is:

"That a sum not exceeding Rs. 35,71,23,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March, 1950, in respect of 'Miscellaneous'."

DEMAND NO. 80—GRANTS-IN-AID TO PROVINCIAL GOVERNMENTS.

Mr. Speaker: Motion is:

"That a sum not exceeding Rs. 2,25,00,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March, 1950, in respect of 'Grants-in-aid to Provincial Governments'."

DEMAND NO. 81—MISCELLANEOUS ADJUSTMENTS BETWEEN THE CENTRAL AND PROVINCIAL GOVERNMENTS.

Mr. Speaker: Motion is:

"That a sum not exceeding Rs. 62,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March, 1950, in respect of 'Miscellaneous Adjustments between the Central and Provincial Governments'."

DEMAND NO. 82—RESETTLEMENT AND DEVELOPMENT.

Mr. Speaker: Motion is:

"That a sum not exceeding Rs. 3,55, 95,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March 1950, in respect of 'Resettlement and Development'."

DEMAND NO. 84—PRE-PARTITION PAYMENTS.

Mr. Speaker: Motion is:

"That a sum not exceeding Rs. 10,00,00,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March, 1950, in respect of 'Pre-partition Payments'."

DEMAND NO. 91—CAPITAL OUTLAY ON THE INDIA SECURITY PRESS.

Mr. Speaker: Motion is:

"That a sum not exceeding Rs. 28,82,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March, 1950, in respect of 'Capital Outlay on the India Security Press'."

DEMAND NO. 94—CAPITAL OUTLAY ON INDUSTRIAL DEVELOPMENT.

Mr. Speaker: Motion is:

"That a sum not exceeding Rs. 13,14,62,000 be granted to the Governor General to defary the charges which will come in course of payment during the year ending the 31st day o March, 1950, in respect of 'Capital Outlay on Industrial Development'."

DEMAND NO. 97—CAPITAL OUTLAY ON CURRENCY.

Mr. Speaker: Motion is:

"That a sum not exceeding Rs. 4,16,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March, 1950, in respect of 'Capital Outlay on Currency'."

DEMAND NO. 98—CAPITAL OUTLAY ON MINTS.

Mr. Speaker: Motion is:

"That a sum not exceeding Rs. 87,95,000 be granted to the Governor General to defary the charges which will come in course of payment during the year ending the 31st day of March 1950, in respect of 'Capital Outlay on Mints'."

DEMAND No. 101—COMMUTED VALUE OF PENSIONS.

Mr. Speaker: Motion is:

"That a sum not exceeding Rs. 23,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March, 1950, in respect of 'Commuted Value of Pensions'."

DEMAND No. 102—PAYMENTS TO RETRENCHED PERSONNEL.

Mr. Speaker: Motion is:

"That a sum not exceeding Rs. 1,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March, 1950, in respect of 'Payments to Retrenched Personnel'."

DEMAND No. 104—CAPITAL OUTLAY ON SCHEMES OF STATE TRADING.

Mr. Speaker: Motion is:

"That a sum not exceeding Rs. 7,89,60,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March, 1950, in respect of 'Capital Outaly on Schemes of State Trading'."

DEMAND No. 105—CAPITAL OUTLAY ON DEVELOPMENT.

Mr. Speaker: Motion is:

"That a sum not exceeding Rs. 33,41,56,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March, 1950, in respect of 'Capital Outlay on Development'."

DEMAND No. 106—PAYMENTS TO GOVERNMENT OF PAKISTAN FOR UNIQUE INSTITUTIONS.

Mr. Speaker: Motion is:

"That a sum not exceeding Rs. 92,02,000 be granted to the Governor-General to defray the charges which will come in course of payment during the year ending the 31st day of March, 1950, in respect of 'Payments to Government of Pakistan for Unique Institutions'."

DEMAND No. 107.—INTEREST-FREE AND INTEREST-BEARING ADVANCES.

Mr. Speaker: Motion is:

"That a sum not exceeding Rs. 20,09,33,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March, 1950, in respect of 'Interest-free and Interest-bearing Advances'."

The Honourable Dr. John Matthai (Minister of Finance): Mr. Speaker, it is with a feeling of hesitation almost amounting to reluctance, that now-a-days I rise before the House to talk about financial matters. I have been in constant attendance at the House ever since the general discussion on the Budget began, and I have been present here also at the debate on the estimates of every Ministry. It has occurred to me that there is a marked difference between the attitude of the House to the great spending departments of Government and its attitude to the Finance Ministry which has to find the money. As I listened to the debate on the estimates of those spending Ministries, I found that the House throughout was in a very generous mood. I found honourable members making very generous promises regarding additional funds if they wanted them. And, Sir, when I come round with my

collection bag in order to raise the money required for implementing these generous assurances, the attitude of the House suddenly changes. The House curses me, swears at me, throws stones at me, and nearly shoots me out of the compound right over the fence. I have come to the conclusion that in any modern governmental set-up, the life of a Finance Minister, like the proverbial policeman's lot, is a very hard one and so he sits here in his little corner of the House, listening to these criticisms, subjected to these attacks, and looks for all the world like a maimed dog, licking his wounds all the time!

Sir, with this cheerful introduction, may I get down to the business of the day.

I do not intend this morning to refer to matters of detail relating to the Budget, or to matters of detail relating to our financial administration, because these are things which were very much under discussion during the general debate. I take it that many of these matters will come up for discussion again when the Finance Bill comes before the House.

I thought therefore probably the most useful way in which I could spend the time which the House has placed at my disposal, would be to draw the attention of honourable members to some of the bigger, broader problems which underlie the budgetary position of Government, so that the House may have an opportunity of expressing its views on these matters which otherwise might escape attention and discussion altogether.

The first of the problems to which I would like to refer is the problem of inflation and high prices, a problem in which, both the House and the country are so deeply and so vitally interested. Let me first give the facts as disclosed by the index numbers that we have.

If you take the wholesale index number prepared by the Economic Adviser to Government the position is that since November when our anti-inflationary programme had been put in operation, the general index number, taking the composite figure, shows a decline of somewhere about 10 to 11 points; that is to say, taking the latest index figure as compared with the index figure last November. Manufactured and semi-manufactured articles also show a fairly marked decline. Similarly if you take all the food articles together, not merely cereals but pulses and all food articles together, that also shows a decline. But when you come to food grains, and industrial raw materials, mainly agricultural products, then you find that there is a difference in the situation. As regards cereals and industrial raw materials and position seems to be still one of flux. Prices are still fluctuating and it is almost difficult to tell from these fluctuating figures whether any definite trend is discernible.

I would like to draw the attention of the House to one or two matters regarding cereals and industrial raw materials, because these are the things that concern us most today.

As regards cereals the position seems to be—and I say it from a fairly careful analysis of our index number—that but for the price of wheat probably cereals also would have shown a downward trend. As the House knows, the price of wheat at Amritsar has been showing a downward trend for some weeks now but the position has been different in the Hapur market and it is really the position of wheat in the Hapur market that is responsible largely for the fact that cereals so far have not shown a downward trend.

Regarding industrial raw materials I find on a similar analysis of the index number that the fact that there has been no decline is largely accounted for by the position regarding oilseeds. Oilseeds recently have been the subject of a great deal of speculation and the fact that, as the result of speculation,

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the prices of oilseeds have not merely been remaining on the whole at a high level but fluctuating at that level, is the reason. I think that the index of industrial raw materials has been disclosing on the whole a somewhat unsatisfactory trend. Now that is as far as the wholesale index number is concerned.

I would like to tell the House at the same time, that since more than 50 per cent of the cost of living index is represented by food grains, the position with regard to cereals in the wholesale index number is reflected in the cost of living index. Until we are able to find a solution for our food problem we are not likely to see any perceptible decline in the cost of living index. As far as the food position is concerned I have no doubt that my honourable colleague, the Food Minister, will deal with the matter in greater detail later. But I would like to say this and it is a point which I think I mentioned during the question hour a few weeks ago, I personally do not think that we shall find a downward trend in the prices of food grains until the *Rabi* harvest has come in, because although Government have resumed the policy of food control, that policy is not likely to be effective until the supplies are better ensured. In other words, when the *Rabi* harvest has come in and we are able to get more and more of the imported food grains which we are expecting, and as the procurement policy of the Provincial Governments shows better results, until that position is reached, it is not possible for Government to give full effect to the rationing policy to which they are committed. And, if I may venture a forecast, I think, it would be somewhere about the end of April that we shall begin to find a downward trend in the matter of food grains and personally I am rather hopeful that between May and the six months following May we shall find that the position has assumed a more satisfactory aspect.

There has been a great deal of criticism regarding Government's anti-inflation policy, mainly on the ground that the results have not been perceptible in a shorter time as the country would have expected. (*Babu Ramnarayan Singh*: 'Because of no active steps.') Now the policy of Government is what now throughout the world is generally referred to as a policy of "disinflation" rather than deflation—I do not like to use this kind of economic jargon—but the point of it is this: that at a time when prices are rising and inflation is almost what I may call of the galloping variety—and that is the sort of inflation that we had between January 1948 and August or September 1948—

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the right way of tackling it is not to try and bring about a drastic reduction but to try, in the first place, to put a stop to the rise, because if you are able to prevent a rise in prices and keep the prices at a fairly stable level for a short period, then you are in a better position to bring about a downward trend in prices. Inflation is somewhat like water: if you can check the flow of it, then it takes a direction quite the reverse: it cannot stand still. The reason why it is necessary to go rather slow with this process of bringing about a downward trend in prices is this. You must see to it at each stage that there is a proper relationship maintained between the level of prices and the level of costs. Suppose for example, in regard to agricultural produce—and that is the thing in which we are most interested—we are able by reducing the money supply in the country and thus curtailing the purchasing power, to bring about a sudden reduction. If that happens then it is going to react upon the agricultural producer in a serious way, because you can reduce the price of your food grains overnight but it would not be possible for the agricultural producer straightaway in the same period of time to reduce his cost. Labour is a very important item of cost in agriculture. The prices of food grains may be brought down but you cannot go straightaway and tell your labourer that he should accept wages at a lower rate. Failing this you are likely to bring about a situation where the producer would find it difficult to regulate his economy. That is what, in my opinion, is one of the most serious problems that we have

got to take into account. When people throughout the country, particularly in industrial areas, complain about the high level of agricultural prices and express great anxiety about bringing them down, to my mind, what they do not realise is that when they do that they are going to create a situation in which the position of the agricultural producer would be seriously disorganised. The same thing applies to manufactured goods. You can by very drastic measures, as some countries have attempted, bring about a drastic fall in prices. But if you are not in a positoin at the same time to bring down labour costs you are going to create disorganisation in the economy which ultimately would affect the position of supply and make inflation still worse.

We have been criticised for not taking active steps, for example, in regard to the money supply of the country. We consulted various sections of public opinion last year regarding the measures to be taken to stop inflation. They suggested some summary measures regarding the money supply of the country. They said "you freeze bank deposits; you demonetise currency notes; have a scheme of compulsory saving." Supposing we had done all that the result would have been in the first place a drastic reduction in the prices of manufactured goods and food grains without a corresponding reduction in the costs on which these are based. Apart from that, one of the considerations which weighed with us was this that if you freeze bank deposits and demonetise currency notes—and do things of this kind in a country which yet has got to get used to investment—there would be a feeling of insecurity which is going to affect ultimately the whole problem of production. And, I said in the course of my reply to the general debate we are already suffering from a state of acute stringency in the investment market. We cannot therefore afford to bring about any drastic reduction in the money supply available.

There is one point with regard to this question of food grains to which I would like to ask the attention of the House. One reason why we are not able to bring down the price as quickly as the House would like and the country would like is that we have fixed the procurement prices at a somewhat higher level than the prices which prevailed just before we abolished control. If you take the prices of December 1947 the procurement prices that we have now fixed are about 25 to 50 per cent higher than the prices which prevailed in December 1947. Therefore the control prices themselves are higher by that margin than the prices which prevailed before we went back on control. The reason for doing that is this. If you carefully examine the food position with reference to the control policy towards the end of 1947 you will find that where our control policy failed was in regard to procurement. At the prices which prevailed in December 1947 it was impossible for Government to implement its procurement policy on which the whole question of flow of supplies depended. We realized therefore that if you want to ensure a continuous flow of supplies you must be prepared to fix your prices at a level which would make it easy for the agricultural producer to bring his supplies into the market. So long as our procurement prices today are higher than the procurement price of 1947 there is bound to be a certain delay in the reduction of prices to the levels that we expect.

When we examine this question of the level of prices and of inflation I would like the House to realize that our economy is not an isolated economy. We are closely bound up with movements in these matters in other countries. Honourable members who have been following discussions in the press about the movement of world prices will have realized that there is a rather interesting phenomenon gradually developing in the United States of America. The United States have had a bumper crop in the leading agricultural products. In fact, I believe from such reports as I have seen, they have not had so large

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a crop for a period of ten or twelve years. There has been better production of food grains in other parts of the world also like Canada and Australia and even on the Continent of Europe. With all this large supply on the horizon there has been a definite downward trend in the prices of food grains in America. The problem whether this fall in prices is the beginning of a large downward trend which may amount to something like an economic depression of the kind that we had round about 1930 is one that is exciting the interest of American economists today; there is a great deal of discussion going on. On the whole the prevailing opinion appears to be that this is not the beginning of a depression; it is what might be called a process of readjustment. In fact they like to describe their policy also in terms of dis-inflation. In other words they would like to control and regulate the fall of prices, not to allow the fall of prices to get out of hand so that you are unable to control its consequences. Whatever may be the opinion which experts in these matters hold regarding the present price position in America I think it is wise for us to be prepared for something like a general decline in prices throughout the world. If that happens it is quite conceivable that that would react rather seriously on the level of prices in this country. If that happens, if we are having a very intensive anti-inflationary campaign in the country and if that coincides within a period of a year or eighteen months with a marked downward fall in world prices, we might find ourselves in a position where the situation might entirely get out of hand. I therefore think on the whole that while we should proceed with our policy of bringing about a gradual reduction in prices it would be wise on our part not to attempt anything like a drastic fall because we might get caught in world forces which will take the problem entirely out of our hands.

With regard to this question of inflation I want to make a reference to the budget because budgets and inflation are linked together. As the House will have noticed, throughout the country this year, both at the Centre and in most of the Provinces, Governments have tried to avoid a deficit. They have tried as far as possible, to achieve a surplus and in any case to balance their budgets. That was done more or less in accordance with the policy which we at the Centre laid down in connection with our anti-inflationary campaign. Of course I am well aware of the uses of a deficit budget,—its uses under certain conditions. For example, if we are passing through a period of acute depression it is worth while providing for a deficit budget because that would mean putting more and more purchasing power into the country and raising the level of demand which is precisely what President Roosevelt did at the time of the New Deal. But in our country today when we are passing through a period of acute inflation it seems to me it is a dangerous matter to leave a deficit uncovered. We have proceeded on these lines. I therefore hope that the budgetary policy which both the Central Government and the Provincial Governments have adopted this year is a policy which will help in solving the problem of inflation.

While that is so the point may be raised: if you are going to achieve a balanced Budget by means of indirect taxes, than, while on the one hand you are following an anti-inflationary policy, on the other hand you are following a policy which probably will take you in a different direction. That is a matter which I have carefully considered. Whatever view the House might hold regarding the way in which income has been recently distributed in the country, among various sections of the community, it is certain that large numbers of people who have not been used to higher incomes have now higher incomes at their disposal, and one way in which you can mop up this purchasing power is by putting up the prices of commodities in which they are likely to invest their

income. Taking the particular point that has been raised in connection with our Budget here, for example the excise duty which we have proposed on coarse and medium cloth, the point might well be raised: Are you not thereby introducing into the country a force which is definitely inflationary? My answer to that is this. In the first place, as I pointed out in my reply to the Budget discussion, the incidence of this additional tax is about half or less than half the average incidence per head of the salt duty when that duty was in force. As the House probably knows, Government have under examination a reorganisation of the price structure of cotton textiles with reference to current prices of raw cotton. If we revise the prices of cotton textiles with reference to major factors like the price of raw cotton, ultimately it will be found that the extent to which this excise duty on coarse and medium cloth tells on the final price will be almost negligible; it will be hardly perceptible in the final prices that would result from a reorganisation of the present price structure. With regard to the sugar duty, my reply is that the excise duty does not touch *gur* which is the poor man's sugar, it does not touch *khandsari*, the cottage industry sugar. Therefore, so far as these main indirect taxes are concerned, I submit that the extent to which they are likely to nullify our anti-inflationary policy is greatly exaggerated.

There was a point which was raised over and over again with reference to the effect of our Budget on the present inflationary conditions. The point is while you have tried to achieve a balance in your revenue Budget, should you not achieve a balance in your capital Budget because there are about 134 crores which you have taken as a deficit on the capital side? As I explained to the House, this deficit would be met out of our balances. But these balances are unspent money remaining with the Government. If you take this money out of these unspent balances and spend it then you are introducing a certain amount of increased purchasing power in the country. If you will closely analyse the figures in the Budget statement, you will find that for the year 1949-50, if you take all our expenditure from revenue, from capital, and from cash balances, you will find that about Rs. 180 crores out of that is being spent not in this country but abroad. About 134 crores is the figure shown in our Budget statement as the amount which is being drawn from the cash balances. In other words, the position is: far more than what you draw from the cash balances is being spent abroad; the net result being that the amount of money, Rs. 180 crores, is being withdrawn from the country and being spent abroad, and therefore this so-called deficit in the capital Budget instead of being inflationary is really an anti-inflationary force; against 134 crores in the cash balances, you have got a little more than 180 crores expenditure abroad; all the money that you get from your cash balances and a little more is being spent abroad. Therefore, in the last analysis you will find it is not an inflationary force as it is supposed.

I would like, Sir, at this stage to make a brief reference to our borrowing programme because that also has a direct bearing on the inflationary position. I have fixed our borrowing programme for 1949-50 at what I called in my Budget speech a very modest figure. I did that because looking at the conditions prevailing in the money market at the time I framed the Budget, I found that if I fixed the figure at anything above 85 crores I would be giving the House a somewhat unrealistic picture of the situation. We provided for a much higher amount of borrowing last year, we were unable to reach the target. I said to myself, "The only way in which I can give the House a correct, honest picture of the situation is to fix my borrowing at a figure which will have some close relation to the realities of the situation". I have also another idea in mind. There is great stringency in the investment market. We want industries to develop, we want industries to find more and more money for financing

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their projects, and I thought to myself that on the whole if I were to leave enough scope for industries to raise capital, it would be better for me to reduce the demand that I make on the limited supply of capital available. Therefore the fact that Government has only a modest borrowing programme is a fact which is likely to help industries in their borrowing. But I want to make it perfectly clear that while I have fixed my programme for the moment at Rs. 85 crores, if conditions improve—and I cannot help thinking, scanning all the reports which have come to me during the past two weeks, that within a few months probably there would be an improvement in the conditions of the money market and if that happens, certainly it is my intention to go into the market and borrow more than I have provided in the Budget.

In regard to this particular matter, I would like to take this opportunity to make an appeal, particularly to the great institutional investors of the country, to do everything that they can to make the borrowing programme of Government a complete success. A great deal depends on the institutional investors of this country, like the insurance companies, banks, and so on. and I would like, therefore, to make this appeal to the institutional investors that in view of the improvement that is already visible in the conditions of the money market, both in their own interests and in the interests of the country, they should provide more in their investment portfolio in the form of Government securities.

Shri T. A. Ramalingam Chettiar (Madras: General): Then why repay the loans?

Shri B. L. Sondhi (East Punjab: General): It may be reinvested. Why do you worry?

The Honourable Dr. John Matthai: My honourable friend Mr. Ramalingam Chettiar has raised a pertinent question. It is necessary, if Government is to achieve success as a borrower, that Government must be in a position to return moneys in due time. As a matter of psychology, I think it is better for Government to stick to their time schedule as exactly as they can because it helps in the end to enhance their Credit. I should like to make another point in this connection. If what I indicated to the House in the course of my reply to the general debate had any force in it, that is to say, if in 1950-51 onwards, we are going to find an improvement, and a marked improvement in our expenditure position, it ought to be possible for us, not merely to provide more for nation-building activities in the country, but it ought to be possible for us also to give more relief in the way of taxation. If we are able to do that, then it seems to me that the net income that investors are likely to derive from investments in government securities is likely to prove better as the years go by. The question has been raised more than once. I think my honourable members in the course of the Budget debate and also in the various press discussions of the Budget, as to what exactly is the Government's monetary policy. I would like to state our policy as far as I am in a position to do so at present. The fact that there is stringency in the money market, that is to say, that money from the investment point of view is scarce, is an argument for raising the rate of interest, in the same way in which, in regard to any commodity, if you want to increase its supply, you provide greater inducement by way of better prices. On the other hand, if you raise the rate of interest, then it means straightaway a decline in the market values of all existing securities. That is to say, while on the one hand you try to induce investors to put more and more money into Government securities in response to higher rates of interest, on the other hand you create a general sense of insecurity in the market, a feeling of depression, because of the reaction of the higher rate of interest,

on the values of existing securities. If I were to place myself in the position of the average investor, owing to the fluctuating conditions which prevail in the country today I would say, "now that the Government has raised the rate of interest to this level, who can tell whether they will stop there, or where they will stop. They may raise it a little further after a while. If that is so, why put the money in now?" You are placing the investors in a state of mental uncertainty. In my opinion, this rise in the rate of interest is not exactly a satisfactory course to adopt. I have discussed this matter carefully with the Governor of the Reserve Bank, and we have come to the conclusion that balancing one consideration against the other, the right course for Government to follow is to maintain its present policy.

I would like to say a word about capital formation, which to my mind, is one of the biggest problems that face us today. There is not the slightest doubt that capital formation in recent years has been badly affected in our country, and if we want to promote production, particularly industrial production, it is necessary that the process of capital formation should receive definite encouragement. When I say that it is necessary to encourage capital formation, I would like to make it absolutely clear that it applies not merely to private enterprise, but equally to nationalised industries, because whether it is Government-run industry or privately-run industry, for both you want capital. Whether the borrower is Government or a private agency, unless there is a firm foundation of capital formation, it is not possible for you to go forward. What really stands in the way of capital formation? Capital formation is the result of two things. First of all, people must be in a position to save. Secondly, when they have saved, they must be induced to invest that saving. It is a question partly of saving and partly of investment. What is preventing saving today apart from the high prices, it is certainly the level of direct taxation today. There is no use burking the issue. We have to face the uncomfortable fact that the level of taxation today is definitely standing in the way of capital formation. What is standing in the way of investment of that saving? I should say, the general feeling of political and economic insecurity throughout the country. As far as political security is concerned, there has been a marked improvement. But unless we can at the same time, also give a greater sense of economic security, even if you are in a position to promote savings, we will find it difficult to promote investment. I have from the beginning looked upon the Budget which I have had the honour to present to the House as a small first step in this direction, and I believe that although you are not likely to see any marked results in the immediate future, there are sufficiently promising signs to encourage one in the belief that we shall find better times in the near future.

In this connection, I would like to make a reference to the small savings movement. The small savings movement in recent months has shown better results than it has for the past two or three years. And I am hoping that by intensifying our propaganda, and by enlisting more and more non-official assistance, we shall be able to show even better results than we have achieved in recent months. And I would like, in this connection to make an appeal to the House. There is a great deal that honourable Members can do in the way of helping the progress of the small savings movement. Those with local influence can do a great deal to induce people to put money into Government bonds.

Sir, the position I have reached now, in the matters I have placed before the House is that as far as Indian capital resources today are concerned, we have not nearly enough for all the purposes that we have in mind. In view of the big developmental projects that we are trying to promote, the amount of capital now available in the country is hardly sufficient. Therefore the question arises whether the time has not come for us to supplement our resources

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with resources from abroad. The whole question of foreign borrowing is now becoming very important, from the point of view of the country. I want to put one or two ideas in this connection before the House. It is not merely the fact that there is not enough capital available in the country that makes it necessary for us to consider foreign borrowing. We want not merely finance, we want plant, we want equipment, we want technical skill and experience; and all these can be got only from abroad. And if you want to get things from abroad, you have to find not merely money, but also exchange, and if you go in for foreign borrowing, you will be able to get not merely the finance that you require, but also the foreign exchange you require. That is a very important matter from our point of view today. Since the United States of America, in the matter of capital goods have a larger surplus capacity than any other country today, it is natural that we should look more and more in the direction of the United States of America. As I have told the House more than once, we have been in touch with the International Monetary Fund and with the International Bank. The International Monetary Fund lends for very short periods, entirely for the purpose of rectifying the maladjustment in the balance of payments, so that for the purpose of long term development, the International Monetary Fund is not likely to be of assistance. Therefore, we approached the International Bank for assistance, and as the House knows a Mission was here and examined the projects that we put before them against the general background of Indian economic conditions. I have not seen their report and it may not be ready for some time yet, but I believe that the Mission has done very valuable work. It has been a good discipline as far as our own officers are concerned, because the Mission has been able to draw their attention to the real problems that call for attention. But there is one thing that I would like to mention in regard to the International Bank, which applies equally to other institutions in the United States of America, which we might approach for assistance such as the Export Import Bank. I do not yet know what the final rate of interest is likely to be in regard to our loans, but the rate of interest generally suggested is of the order of 4½ per cent. Now when you want to finance long term developmental projects on a basis of 4½ per cent. interest, you are going to accept financial assistance at rather a heavy cost. It is not merely that. If you get a loan from the International Bank, for a period of 20 or 25 years; it may be that while our developmental projects are still under construction, they may be induced to give us a short breathing space, a short moratorium, but the time will come when we would have to make annual equated payments against amortization of the whole debt, that is, not merely your interest but the principal in instalments and these payments would have to be made in Dollar currency. Therefore a time will come, if you go in for assistance from institutions of this kind on a large scale, when you find yourself burdened with a debt which might seriously embarrass you. If that summary of the position is correct, then it seems to me the only other source left, as far as foreign lending is concerned, is private Investors in other countries. That is to say, if we have on hand a big industrial project, an industrial project in which there are people of experience, of acknowledged skill and reputation in other countries interested, if we are able to enlist their assistance in the sense of participation in the capital structure of the Indian concern, it might be possible for us to get foreign assistance in a less burdensome form. That raises a very important problem, and in my opinion, the House would be called upon, if not, today, but in the very near future to face this problem squarely. The advantage of foreign participation in that sense is this. If you go to great lending institutions like the World Bank and the Export Import Bank, you get assistance first of all in the shape of fixed interest bearing loans and secondly

the interest is of a fairly high rate. If we could get people to participate in Indian concerns on the basis of sharing the loss as well as the profit, the burden that would be imposed on industrial projects would, I think, be considerably less. I am raising this problem, because I think now that we are up against this question of foreign borrowing and all our developmental work is so closely bound up with that question it is about time that the House applied its mind to it. I do not want to say anything more about this because the matter is under Government's consideration and I expect before the session is out, the Prime Minister would be in a position to make a statement to the House on the conditions on which we consider it desirable to go in for foreign borrowing.

In this connection, there is one point that I would like to mention regarding our Sterling Balances. Honourable Members who have followed the discussions regarding the recent trend of economic events in the United Kingdom will have seen that they have various projects in hand for strengthening the position of Sterling. Recently there was a plan put before the Economic Recovery Administration in Paris by the Government of the United Kingdom. The plan was that in the course of about four years it ought to be possible for the United Kingdom to achieve a balance in regard to their international payments. There has been a great deal of criticism as to the accuracy and the validity of many of the figures and propositions in that plan. But if it happens that the United Kingdom is able in a relatively short period to achieve a balance in their international payments, then Sterling will become a much less soft currency than it is today, that is Sterling will become in that process a more freely convertible currency. That is entirely to our advantage, because if we have all these balances in Sterling, it is to our interest that Sterling should become available to us more and more in the form of an internationally convertible currency. The point that I am trying to suggest is this. On a careful consideration of the whole problem, it is necessary that we should as far as can co-operate with the efforts which are being made by the United Kingdom Government to strengthen the position of Sterling, because it is going to be definitely to our advantage. Having said that, may I also say this? I am not satisfied that the Dollar releases we obtained last year have been good enough. I think we were entitled to a larger release and as events have turned out the Dollar releases we have been permitted for the last year are a good deal less than our requirements warrant. Therefore I want to say with every sense of responsibility that while we are prepared to co-operate with the U.K. Government in every effort that they are making to improve the position of Sterling and their general economic position, we are not satisfied that the assistance that they have given us so far in the way of Dollar releases has been reasonable and fair. (*Hear, hear*). I propose to do all that I can in order to obtain a better and more satisfactory release of hard currency from the United Kingdom Government in regard to our next year's programme.

Sir, some reference has been made to the question of a general enquiry into our taxation structure. That is a matter which I have considered with some care. I want to tell the House briefly what the conclusion is that I have provisionally reached. I feel that it would not be possible for us to make satisfactory proposals regarding our taxation structure unless we have a clearer picture than we have today of what our national income is and how that national income is distributed among the various sections of the community. I propose, therefore, and my colleagues agree with me, that we should institute at once an expert committee of high-ranking economists—both Indian and foreign economists—to take up the question of the national income. I hope within a short period we shall be able to get at least provisional estimates of the national income of the country and its distribution on which a taxation enquiry could be based.

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Just one last point, Sir. The House has taken very great interest in the question of economy in public expenditure.

Babu Ramnarayan Singh (Bihar: General): Nothing of control?

The Honourable Dr. John Matthai: What control?

Babu Ramnarayan Singh: Control of prices.

The Honourable Dr. John Matthai: I will refer to it later. A great many questions were put to me, during the general discussion, as regards what we are going to do with the recommendations of the Economy Committee and I gave the assurance to the House in the course of my reply to the general debate that the Government would give its most earnest consideration to the proposals of the Economy Committee. What I want today to say is to how we propose to proceed with this matter. We are instructing all the Ministries to take up the proposals made by the Economy Committee at once with the Standing Committees of the Legislature attached to their Ministries and when matters have been clarified with the Standing Committees, the proposals would be put before a special meeting of the Standing Finance Committee so that they may have an opportunity of examining the proposals of the Economy Committee in the light of the Government's views thereon.

Dr. P. S. Deshmukh (C. P. and Berar: General): Will it be completed in five years?

The Honourable Dr. John Matthai: I knew that my honourable friend or somebody else would ask that question. I have in fact already circularised the Ministries in regard to the reference of these matters to the Standing Committees. I expect this to be done in the course of two or three weeks. Then I propose to have a special meeting of the Standing Finance Committee if possible before the end of this Session, but if that is not possible to have it shortly afterwards. I do not want more than two or three months to elapse before we come to a final conclusion.

Shri B. Das (Orissa: General): I am sure the House will join me in offering congratulations to the honourable the Finance Minister for the very lucid exposition of our financial position and the soundness of it in spite of the difficulties we are experiencing.

Sir, the one thing that emerges from the speech I heard a minute ago is that the Central Government's finances are sound, but that we must have the co-operation of the industrialists and the workers. I am glad to see that my honourable friend Mr. Mody offered the other day full co-operation of the industrialists to our Government in financial matters. The Honourable the Finance Minister also wants the full co-operation and the sweet reasonableness of the labour element in India to be there so that production be raised and prices be brought down.

At this stage Mr. Speaker vacated the Chair, which was then occupied by Shrimati G. Durgabai (one of the Panel of Chairmen).

We want co-operation of labour on the man-hour basis and not on the salary level basis. If that sort of co-operation can be had, we can expect India to take rapid strides forward towards our national prosperity. My honourable friend Dr. Matthai felt gratified that U.K. will have its national recovery soon. Sir, that is no solace to me, if India's national recovery is not in the offing U. K. has been my *bete noire* during days of our subordination. U. K. is my *bete noire* even to-day. U. K. is responsible for all our troubles and miseries, inflation, high prices and financial stringency all are due to the policy of exploitation during the War. Nearly Rs. 4,000 crores worth of stores were purchased at pre-war controlled prices for U. K. and U.S.A. and hence the inflation in our currency and hence the high prices.

Today inflation is our main difficulty. I assess that 50 per cent of it is due to the exploitation by the United Kingdom administration and the absence of a National Government in our country during the war. They not only exploited

our country but during the war have frozen 600 million sterling that we had in the Bank of England. I feel ashamed that we have agreed to a further period of two years for facilitating their national recovery. We have to co-operate. I listened most respectfully to the speech of our Minister. I am not in a mood today to co-operate with the United Kingdom for its recovery, seeing that it forced us to tie down the rupee to the sterling. Of course I know that today we can delink the rupee. That is a question which requires very careful examination. I hear the honourable the Prime Minister will talk a few days hence on the matter of the investment of foreign capital in this country. I hope he will bear in mind the sufferings and the sorrows that India went through during the last 150 years. The House must also remember the Government of India Act of 1935, where safeguards were provided for British capital and British exporters. Bearing all these in mind the House should consider the proposals which the Honourable Minister will bring forward in the course of this month.

We hear a good deal about inflation. Professors, economists and industrialists all talk of inflation. All our shortcomings lay at the door of inflation. I do not come under any of these categories, I do not say that inflation is the root cause of all evils and that inflation must be done away with immediately. We are aiming at lowering the price level, but the thing cannot be done if the industrialists and the producers take it into their heads to raise the price of cotton piece-goods and sugar when de-control takes place. In this vicious circle I do not quite see how the price levels can be immediately reduced. I do not think that inflation can be done away with unless my honourable friend Shrijut Homi Mody gives some hints as to how it can be done. My reading of the situation is that Government could have done away part of this inflation by exercising stricter financial control over the Budget expenditure. There is inflation everywhere. There are inflated numbers of Ministries and Ministers on the floor of this House. There are inflated staff in the Government of India Secretariat. The staff has increased in the course of five years five to six times and the salary level has also been raised to that extent. There are inflated demands on the part of labour—demands for more wages,—and people in the Railways want more dearness allowance, grain shop allowance, etc.—my friend Mr. Santhanam is not here—railway labour want all sorts of advantages. None of the labour leaders, I am surprised to find have thought that the production of the labour, be it on the railways or the industry, should be on a man-hour basis; they must produce so much minimum work, whereby production will increase and whereeby alone the high prices can be checked.

Pandit Harihar Nath Shastri (U. P.: General): What about 15 per cent increase in production?

Shri B. Das: Thank you, but the rise in salary has been 150 per cent. That is the greatest misfortune of a country struggling after it has been bled white by the foreign rulers and we cannot find our feet again as yet. I feel that we have no control over the detailed Budget expenditure. I pointed out the other day when I was talking on the Works, Mines and Power Ministry's Grants how there is no tendency in each Ministry to control Budget expenditure. The honourable the Finance Minister has not got Financial Advisers for each Ministry. He has divided it into five groups. One Financial Adviser cannot control half a dozen Ministries. Let each Ministry have one Financial Adviser. Then we would not have this inflated tendency of the Ministries and their way of always getting inflated by our creating so many new Ministries.

Shri Mahavir Tyagi (U. P.: General): They are working on war level.

Shri B. Das: I have watched the Budgets of the Government of India for the last twenty-five years. I have come to the conclusion that it is high time that the Finance Minister should have a Financial Adviser. He has divided his set-up into four compartments. But where is the co-ordination? Who

[Shri B. Das]

is to co-ordinate the policy of the different Ministries? It is not done today and it must be done; otherwise, we are going to have a back slide and it would not be national recovery but it will be some disaster which I predicted some two years ago when I spoke in the 1947 September session.

Why is there over-Budgeting? Why is every Ministry anxious to have more money than the situation justifies? I find Ministries like the External Affairs, Health, Education, even Defence and Works, Mines and Power have no financial sense. The Finance Minister said nobody sympathises with him. I do sympathise with him that he does not get sufficient taxation to meet the hungry children, the various Ministries of the Government of India. In respect of the External Affairs Ministry, the expenditure last year was Rs. 3:55 crores, this year it has been estimated at Rs. 4:15 crores. Education was Rs. 2.87 crores, now it is Rs 4:77 crores. (*Kazi Syed Karimuddin*: 'Very good.') Yes, it is very good, but why are you resenting this taxation, why are you raising your voice against it? In the Budget discussion everybody resented one or the other item of taxation. If you want improvement, then pay for it but not pay for it by taxing such an item as opium of which my honourable friend Mr. Rohini Kumar Chaudhury is rather fond or the betelnut I am so fond of. Defence expenditure has not been criticised. We have supported our Defence Ministry. But simply for the reason that they have achieved some successes, that does not mean that the Defence expenditure should be Rs. 172 crores or something like that and that the expenditure should be put on the way the Britishers introduced. Capitalisation of Defence expenditure has little value for me. It would not be assessed like that in any international forum. I do hope that Defence expenditure must be brought down to Rs. 100 crores limit.

Mr. Chairman: I hope the honourable Member will be able to finish within five minutes.

Shri B. Das: I will try as far as I can.

I will speak again on the Finance Bill, but I do hope that our foreign exchanges could be improved through tourist traffic and by cottage industries. Dr. Mukherjee has earmarked rupees five crores got out of sale of American Disposals, but we are doing nothing to improve our Dollar position except by borrowing in the international market and going abegging to London to get a few thousand more Dollar and foreign exchange from the starving, shifty British people, who if they do not apply a moratorium to the £600 million sterling they owe us, would be bled to death.

There should be a production drive if we at all want to do away with inflation and reduce the price level. But for that, there should again be a tripartite conference consisting of Government, the industrialists and labour. I do suggest that Srijut Jai Parkash Narain has shown a spirit of co-operation by calling off the strike of railways. He as a labour leader has shown that he is anxious to co-operate. Why not call a conference with Srijut Jai Prakash Narain, so that labour may realise, labour may recognise, the primary duty of working and producing, and producing on man-hour basis. That is my last suggestion.

The Assembly then adjourned for Lunch till Half Past Two of the Clock.

The Assembly re-assembled after Lunch at Half Past Two of the Clock, Mr. Speaker (The Honourable Mr. G. V. Mavalankar) in the Chair.

Shri K. Hanumanthaiya (Mysore State): Sir, I listened with great respect to the speech made by the honourable the Finance Minister. To begin with, he referred to the criticisms made against his Budget on the floor of the House. I really congratulate him that he has taken the criticisms levelled against his Budget very coolly and with great equipoise. He was speaking about the prices and the vagaries of the market. I very much wish that prices and the markets

followed his example in being steady, equipoised, and balanced. Before I come to the contents of the Budget, I would like to suggest a few unimportant things. It may be that they are unimportant from the point of view of the importance of the subject we are discussing, but these few suggestions would go a long way in making this House understand the Budget better.

I have had occasions to go through the Budget papers of some of the Provincial Governments and the Government of my own State, and I have also gone very carefully through the Budget papers presented to us by the Finance Minister, this year as well as last year. My impression is that the papers given to us in this Assembly give us too summarized a view of the matter. We need greater details and explanations. For example, there are items in the Budget papers like "Other Charges". There are several headings like that and each heading has several lakhs of rupees against it. There is also a heading "Miscellaneous". Headings like these when totalled would amount to crores and crores of rupees. Still we are not in a position to know how this money is being spent, or the policy that is being adopted in spending this amount. In regard to expenses as against administration, we would rather like to know how many Secretaries are employed in each Department, and how much money and allowances are being paid to them. That information is supplied to us in the Budgets of the Units. I have given only a few examples. It would be better if, from next year onwards at least, the Finance Minister gives us a fuller picture of the Budget in his annual statement of the financial condition of our country.

The second aspect is this. My impression is that the printing and get-up of the Budgets of the Units is also far better. I would like the Finance Minister to enhance the prestige of the Central Government in being the first in the matter of get-up of the Budget.

The Finance Minister was explaining the question of "prices" and how prices rise and fall. He incidentally referred to agricultural prices. I would ask him, Professor as he is, Economist as he is, to fix agricultural prices on some basis and on some data; and not fix them arbitrarily as he has done, or as every Government uptil today has done. It is not particularly the fault of the present Finance Minister. It is not the fault of this Government alone. It is the fault, in my view, of every Government in this country present and previous. So far as agriculture is concerned, they have fixed prices not upon data but upon what is so-called the "previous price". They take some price that used to prevail at a certain period prior to the fixing of the prices and fix it up by a certain percentage. If Industrial production is determined on the basis of the production cost, and if the industrial labour is paid minimum wages, I would request this Government to show the same kind of consideration to agricultural production and agricultural labour.

If I criticized the Ministry in my Budget speech, it was because the peasants have been left alone by this Government, in spite of its being the first Government of a free country and in spite of its being the Government of Pandit Jawaharlal Nehru and Sardar Vallabhbhai Patel. I have to make this observation because I love, and admire these two leaders very much. But I love the ryot, the agriculturist in a greater measure. If it is a question of who should have my allegiance, as well as the allegiance of many of us, it is the agriculturist and not the Prime Minister nor the Deputy Prime Minister. It is a pity that their attention has been diverted to other issues. The consolidation of the country has become the affair of the Deputy Prime Minister and foreign affairs has become the playground of the Prime Minister. But the ryot is cared for by none in this Ministry. The concessions that I want for the agriculturists

[Shri K. Hanumanthaiya]

is not pity, kindness or favour: it is a price based on data: it is a price that is fixed by the same considerations by which prices are determined in other economic fields.

I have had the privilege of listening to, and participating in the discussions on the Budgets of both last year and this year. Last year the Finance Minister made a fervent appeal to the industrialists and gave several concessions to them. The present Finance Minister has also repeated the same example. In view of world conditions I would respectfully request them to see whether this special appeal is not after all overdone. The cry of the common man has taken the form of Communism and is sweeping the world. It has already swallowed half of Asia and is almost at our doors. In spite of this phenomenon it is very strange that our Government is still wooing a few industrialists. Take, for example, super-tax. Honourable the Finance Minister has shown what is called a concession to the super-tax payers to the tune of 2·1 crores. I am told that this concession affects only about 400 people. If 400 people are to be given a concession of 2·1 crores, it is a gift that this Government makes of Rs. 55,000 and odd for each industrialist. Whether this concession, which is almost like ransom money, is justified or not I leave it to the House to judge.

I will now make only one point and close. The honourable the Finance Minister was speaking to us about foreign exchange. Gold may not be the sole currency in all countries but still gold happens to be the axis round which every currency system in the world rotates. Therefore in order to avoid this exchange difficulty I would request the Government of India to pay attention to this aspect of the matter. In the South, at least, we have one gold mining company working and two other mines have been discovered. If the Government of India is earnest it can find in India many more gold mines. It would be profitable for us to take these gold mines as national concerns. If you are not able to take these gold mines as national concerns, at least I want the Government of India to purchase all the gold produced in India and keep it as government property, so that they may make use of it to facilitate foreign exchange.

श्री लक्ष्मीनारायण साहू: वाचस्पति जी, पहले अर्थ सचिव ने जो बातें कहीं हैं, उनसे यह सबक़ निकलता है कि उनको ज्यादा रुपये की ज़रुरत है, और हम लोग उनकी समालोचना करते हैं कि उनको उतना ज्यादा रुपया sanction होता है। लेकिन भारत देश भर में जब अर्थ सचिव ने पोस्टकार्ड और लिफ़ाफ़े का दाम ज्यादा बढ़ा दिया, तो सब आदमी कहने लगे कि अर्थ सचिव हम लोगों के Shylock the Jew बन गये हैं। हालांकि यह बात ज़रुर है कि इसमें अर्थ सचिव का कोई दोष नहीं है, क्यों कि हमलोग रुपया चाहते हैं, और उनको रुपया देना है। मैं कहता हूं कि रुपया कैसे आता है उसके बाद हम लोगों को सोचना चाहिये कि आदमी जब अच्छा होगा, तो रुपया बहुत मिलेगा। आदमी अच्छा न होने से रुपया ज्यादा नहीं मिलेगा। यह बात थोड़ा सोचने से अच्छी तरह मालूम हो जाती है। आज हम लोगों को देश में रुपये की कमती है, इसलिये जो आदमी हैं वह आदमी ठीक तरह से अभी नहीं रहते हैं, स्वास्थ्य उनका अच्छा नहीं है और उनको जो इन्डस्ट्रीयल लेबर (industrial labour) में काम करते

हैं, सुभीता नहीं मिलता है, इसलिये वह ज्यादा पैदावार नहीं कर सकते, और जब पैदायश ज्यादा नहीं होती है, तो रुपया अर्थ सचिव को नहीं मिलता है। हम लोग अभी कम से कम मालूम होता है कि २५०० करोड़ रुपया ऋण लिया और इतने रुपये में से १५०० करोड़ रुपया तो हम लगा देते हैं, जिससे कि पीछे फ़ायदा हो सकता है। २५०० करोड़ रुपये में से हमको मिलना है ३०० करोड़ रुपया पकिस्तान से। मैं जानना चाहता हूं कि पाकिस्तान से जो ३०० करोड़ रुपया मिलना है, वह शायद मिलेगा भी या नहीं। और बाकी जो सात सौ करोड़ तक रह जाता है, वह तो एक दम हम लोगों का loss में चला जाता है। किस तरीके से हम लोग प्रबन्ध करें कि यह सात सौ करोड़ रुपये का जो हमारे सिर पर dead weight है, उसको कैसे हटायें। अर्थ सचिव ने इन्क्वायरी कमेटी (Inquiry Committee) बनाने की तरफ़ इशारा किया है, उसके सिलसिले में मैं एक बात कहना चाहता हूं। हम लोगों का जो Rupee Ratio एक शिलिंग छः पेन्स है। उसको ज़रा ध्यान में रखना चाहिये क्योंकि उससे हम लोगों का बहुत सा रुपया इधर से उधर होजाता है। एक बात और मैं अर्थ सचिव के ध्यान में लाना चाहता हूं कि आज तक हम लोग Statistics पाते थे, अभी नहीं पाते हैं, वह अगर मिल जाये तो बड़ी अच्छी बात होगी। फिर एक बात मैं कहना चाहता हूं, यह थोड़ी शायद इस बात पर ठीक नहीं मालूम होती है, लेकिन मैं सोचता हूं कि वह बात ठीक है। जब यह डोमीनियन पालियामेन्ट है और हर एक यूनिट इसमें शमिल है तो हर एक यूनिट से एक एक प्रतिनिधि Cabinet में रहना चाहिये ताकि यहां का काम अच्छी तरह से चले। मैं बराबर देखता हूं कि हर एक province का ख्याल यहां नहीं होता है, और एक बात हमारे अर्थ सचिव को यह सोचना चाहिये कि opium के cultivation के वास्ते जो हम लोग subsidy अदा करते हैं, उसको एकदम हटा देना चाहिये। जब ओपियम (Opium) के बारे में बहुत बहस हुई थी और हम लोगों ने कहा था कि यह जो Immoral रेवेन्यू है, उसको हमें हटा देना चाहिये। आसाम में देखिये क्या होता रहा है। कितनी कोशिश उसको बन्द करने की की गई, लेकिन वह बन्द नहीं होती है। अब स्टेटस में जहां केवल ओपियम (Opium) ग्रो (Grow) की जाती है वहां भी इसकी तरफ हटाने की दिशा में कदम बढ़ाये जाने की सख्त जरुरत है। दनिया में हर प्राविन्स, स्टेट और मुल्क में आदमी को अच्छा बनाने के लिये यह ओपियम (Opium) को हटा देना चाहिये, और दारू भी हटा देना चाहिये। गवर्नमेन्ट अक्सर यह देखा जाता है कि प्रोहिबिशन (Prohibition) पालिसी को slow कर देती है, यह बड़ी खराब बात है और इसकी तरफ़ हमें तेज़ी से ध्यान देना चाहिये। दुनिया आज जब इतनी तेजी से आगे भाग रही है, तो हम भी

[श्री लक्ष्मी नारायण साहू]

उसके साथ मिलने के लिये, इतना रुपया लोन (Loan) ले लेते हैं, यह ठीक नहीं है। यह तो मामूली बात है कि 'One should cut his coat according to his cloth' हमको अपनी इन्डस्ट्रीयल एकोनोमी (industrial economy) ठीक करने के लिये हमें कितना बाहर से लाना है, और कितना हम यहां कर सकते हैं, इस पर खूब ग़ौर कर लेना है। मैं तो सोचता हूं कि आप ने बिज़नैस वालों का पहले से इतना गला घोंट दिया है, कि उसको बहुत डर हो गया है, इसलिये अर्थ सचिव को रुपया ज्यादा नहीं मिलता है। ऐसा उपाय करने से बिजनैस पीपुल (business people) के हाथ में जो रुपया है, उसकी ओर हम लोगों को ज्यादा ध्यान देना चाहिये। हां एक बात है कि हमारे अर्थ सचिव जब अच्छा लेजिस्लेशम (legislation) कर सकते हैं तब उससे हमारा मुल्क अच्छी तरह से चल सकेगा। यह ख्याल हम लोगों का अच्छा होगा कि हम सब decentralise करें। मैंने उस दिन भी कहा था और आज भी कहे देता हूं, कि अगर हम सब इस तरह से सेन्ट्रलाइज़ (centralize) करते जाते हैं, तो हम हिमालय पहाड़ के मुआफ़िक ऊंचाई की जगह से नीचे गिर जायेंगे। इसलिये मैं चाहता हूं कि अर्थ सचिव इस पर ज़रा ध्यान देंगे कि हम इन्टरनल ट्रेड एन्ड कामर्स (internal trade and commerce) को जितना कन्ट्रोल करते हैं, उसको थोड़ा अब छोड़ देना चाहिये और छोड़ देने से जब नारमेल चैनेल (Normal channel) में बिजनैस में चलेगा, तो हम लोगों का फ़ायदा होगा, ऐसा मैं सोचता हूं।

और उड़ीसा प्रदेश की तरफ़ ज़रा अर्थ सचिव को ख्याल रखना चाहिये। हम लोगों ने सरकार से रुपये की मदद मांगी है और जो चालीस लाख रुपया हमने सरकार से subvention के तौर से पाते हैं, वह बहुत कम है, क्योंकि इन्फलेशन (inflation) ज्यादा है, इसलिये उड़ीसा को ज्यादा रुपया देना चाहिये और फिर २५ लाख एबोरिजिनिलस (aboriginals) जो स्टेटस के (merge) होने की वजह से आ गये हैं, इसलिये उनको बहुत ज्यादा रुपया देना चाहिये। इस लिये मैं चाहता हूं कि अर्थ सचिव इस पर ज़रा मेहरबानी करके ध्यान-पूर्वक सोचेंगे, और इस प्राविन्स को ज्यादा मदद देंगे। मैं और ज़्यादा समय नहीं लेना चाहता हूं। अन्त में मैं अर्थ सचिव को बधाई देता हूं और अपना भाषण समाप्त करता हूं।

(*English translation of the above speech.*)

Shri Lakshminarayan Sahu (Orissa: General): Mr. Speaker, Sir, it is quite apparent from the statement made by the honourable Minister for Finance that he needs more money; whereas we people criticize him while sanctioning such a huge amount. When the honourable the Finance Minister raised the rates of letters and post-cards throughout the whole of India, all the people began feeling that he has assumed the role of Shylock the Jew. In fact the

honourable the Finance Minister is not to be blamed in this matter, for we need money and he has to provide it. But I would like to say how we are to get it. After that we are to consider that if the man is good, we may have plenty of money; and in case he is otherwise we may not get much. A little bit of thinking will elucidate it. Today our country is short of money, and for this reason its inhabitants are not living in a decent manner. They do not keep good health and those of them who are employed in the industrial labour are not afforded any facilities, and for this reason they cannot produce more, and when the production is less, the honourable the Finance Minister is unable to raise more money. It so appears that we have now borrowed at least 2500 crores of rupees; and out of this amount, we spend about 1500 crores which can yield some benefit later on. Out of Rs. 2500 crores, we are to get 900 crores from Pakistan. I would like to know whether we are likely to get back this sum of Rs. 800 crores from Pakistan or not? And the balance which thus remains amounts to about Rs. 700 crores and it is straightaway reckoned as a loss. How should we manage to throw this dead weight of Rs. 700 crores which we are carrying on our heads? The honourable the Finance Minister has given an indication towards the setting up of an Enquiry Committee and I would like to say one thing in connection therewith. We should devote some attention towards the exchange ratio of rupee which is at present 1s. 6d. because we have to sustain a good deal of loss by such transactions. Another thing which I want to bring to the notice of the Honourable Minister is that till lately we used to be supplied with statistics, but we do not get these now. It would be of immense use, if these are made available now. And one thing more I would like to say, although it is not perhaps quite relevant to the point at issue, yet I feel it has got some bearing on the subject. When this Dominion Parliament consists of representatives from each unit, it looks all the more logical that one representative from each of the Provinces should be included in the Cabinet so as to ensure smooth working at the Centre. I usually find that every Province is not represented here. And one thing which I would like our Finance Minister to consider is that he should immediately stop the grant of subsidy for the cultivation of opium. During the course of a lengthy discussion on opium we urged that we should cease to realize this 'immoral revenue' which is derived from the sale of this commodity. Take the case of Assam. What is happening there? In spite of all possible endeavours having been made there, its growth could not be stopped. Now it is the high time that some preventive measures in this direction are taken in the case of States also which grow opium only. In order to produce better men in this country, the use of opium should be banned in all the Provinces and States. Liquor too should be prohibited. It has generally been noticed that the Government slows down its prohibition policy and we should devote our urgent attention towards this aspect. It is not advisable that one should borrow such a huge amount simply to keep pace with the other countries of the world which are forging ahead with such rapidity. It is a common saying that 'one should cut his coat according to his cloth.' We should carefully consider as to how much we are required to import from abroad to balance our industrial economy and how much we can produce here. I think you have already throttled the business community and they have become considerably nervous. And for this reason only, the honourable the Finance Minister is not able to raise more money. We should devote more attention towards this aspect and devise some measures to obtain the money which lies in the hands of the business people. Yes, there is one thing and that is when our Finance Minister can evolve a wholesome legislation, our country will surely have a smooth sailing. This is a good idea that we should decentralize everything. I said that day and repeat today also that if we go on centralizing everything in this manner, we are apt to fall down from heights such as of the Himalayas. Therefore,

[Shri Lakshminarayan Sahu]

I would urge that the Honourable Minister should devote a little attention to this aspect and permit some relaxation being made in the existing controls regulating the internal trade and commerce. This would result in the business being conducted through the normal channels which would prove beneficial to our interests. This is what I think.

The Honourable Minister should devote some attention to the Province of Orissa. We people have approached the Government for the grant of some assistance and the sum of Rs. 40 lakhs which is paid to us in the form of subvention is quite inadequate, because there is much inflation and on account of this Orissa should be given more money. And, moreover, he should give adequate sum of money to cope with the expenditure to be incurred in respect of 25 lakhs of aboriginals belonging to the States that have since merged with Orissa. Therefore, I would submit that the Honourable Minister should carefully consider over this and give more help to this Province. I do not want to take much time.

With these words, I would congratulate the honourable the Finance Minister and resume my seat.

Kazi Syed Karimuddin (C.P. and Berar: Muslim): There is no doubt that the honourable the Finance Minister has delivered an admirable speech. Before I make any criticism I fully realise the tremendous difficulties that he has to face in running the administration and overcoming the economic difficulties of the country. It may be said and it is commonly supposed that the taxation policy that he has introduced is incentive taxation, that is, with a view to stimulate production in the country. In my opinion it is not incentive taxation but it is riding a horse in all directions. On the one hand there is relief to the industrialist with a view to stimulate production and on the other there is an indirect taxation on the necessaries of life which will raise the standard of life of the poor. If there is no co-operation between these two factors, that is, the increasing purchasing power of the capitalist and the higher standard of life of the poor, if these two factors cannot be reconciled by more production, then my submission is that the honourable the Finance Minister will be faced with a very critical situation next year.

All the estimates that he has made, all the policy that he has enunciated today is based on the speculative system that production is bound to rise in case incentive taxation is introduced. I congratulate him for that, but if production does not increase considerably I have my own apprehensions that there will be a financial collapse. In my opinion one of the items that ought to have been accepted by the Finance Minister, as has been done in many European countries, was that alternatively there should have been an idle-money tax. Suppose the proposals are not accepted by the capitalists. We see the reactions of the market as reported in several papers—that the money market or the share market is not affected and that they have not accepted it very favourably. In that case the only alternative ideal is to have idle-money tax or hoarding tax. Without that it would be impossible to induce these people to go into the field of production.

Another point which I want to emphasize and give a warning about is regarding external public debt. It is an accepted principle in economics that external public debt is not generally good for the progress of a country unless a country is compelled to incur a loan. I realise and I fully appreciate the point of view held by the honourable the Finance Minister that there is a shortage of dollar. We have already incurred a loan of 92 million dollars but the purpose for which this has been incurred has not been fully detailed and the House is not aware as to how our needs have been met by incurring this loan. The

two defects of foreign borrowing as generally laid down in books of economics are firstly that the terms on which the foreign loan is incurred must not be to the detriment of the country and secondly the period for which it is incurred has to be a very long one, as has been stated by the honourable the Finance Minister. Otherwise, if the debts are tried to be realised by a foreign Government, if our political policy is not in keeping with Americanism, then our country will be faced with the very great difficulty of making a repayment or of giving raw materials or goods which are required for our own production in the country. The honourable the Finance Minister neither in the Report that has been supplied to us nor in the speech that has been delivered today has given any idea as to what conditions have been laid down by the foreign capital although he has remarked that in a subsequent statement by the Prime Minister we will have those conditions. But my submission is that every pie of loan that we incur in this connection should be in connection with our production, with the expansion of our industry and agriculture. But if the loan is incurred and there is no expansion of industry and agriculture, if there is a shortage of capital goods coming from the foreign country, and if these dollars that we are getting are spent towards our political needs, then I give a warning today that this will be to accept Americanism. There will be expansion of the American movement not only economically but there will be political domination and economic domination of America which is bound to be resisted by the people of India.

The second thing which I want to bring to the notice of the honourable the Finance Minister is I entirely agree with the reasoning he has given that the release of dollar from the Sterling Area, that is from England, is not satisfactory. One suggestion that I want to make is this. Why should we spend away our sterling in the capital repatriation of the Britishers in India? We can insist that before there is a capital repatriation there should be a release of dollars in favour of India and we should have greater amount of sterling released in our favour in order that capital goods may be imported from there. One complaint generally is—of course I have not any exact idea of it—that from England and America last year we had consumed goods which are luxury goods, goods which were not very necessary for the expansion of industry. If it is not true I will be happier, but I make a request to the honourable the Finance Minister that in the future, that is next year, goods which are not very useful or which are luxuries should be discouraged in satisfaction of the sterling balances or in connection with our borrowings from America.

The third thing which I want to impress upon you is the Bill that has been proposed in the Report submitted by the Finance Department about the Payment of Taxes. For the few Muslims who are now intending to go away from India we are going to have a legislation which will affect thousands of people in this country. The Government has already declared that Muslims are coming back in numbers and very few are going to Pakistan. For the few who intend to go you will be surprised to find that today Hindus and Muslims—everybody—is harassed by the Registration Department in regard to the clearance certificate. In his noble words the Speaker the other day expressed that it will give full scope for corruption. They are words which are weighty and as a lawyer I can say that it will give a very wide scope for corruption. The then Finance Minister, the Honourable Mr. Neogy, did not write on the file but had agreed that it would be dropped. When one Finance Minister had agreed to drop it, I think special reasons should be stated by the present Finance Minister why he takes it up. As Sir Homi Mody said, it was an emergency measure and it was all right then, but in ordinary times I do not think people should be subjected to harassment. You will be surprised to find even today that people who want to get their properties registered or sold are harassed by the Registration Department which is open to great corruption.

3. P. M

[Kazi Syed Karimuddin]

Therefore, my submission is that when a promise had been given—on the floor of this House, Mr. Neogy had expressed that it was agreed to be dropped—there is no reason why the present Finance Minister should revive it. My submission is that, in view of the great harassment, in view of the great scope for corruption, and when a man of the experience of the honourable Speaker is of that opinion, the honourable the Finance Minister should drop that Bill.

Shri Moturi Satyanarayana (Madras: General): During the recent months whenever I had a chance to meet friends and discuss the problems connected with our finances, I always found that the people had very great apprehension that the Central Government's Budget was going to be a very deficit Budget, that we are nearing a situation when we will witness a very great crack in the monetary set up of the country. It looked as if it was practically true, before the Budget was introduced. I am very glad to say that the skilful handling of our finances and the great imagination and experience of our present Finance Minister has averted this crisis.

I have been listening to the speeches delivered on the General Budget and I found there was a lot of opposition mostly to the new taxes introduced; it has been already dealt with by a number of Members. I want to take a particular point of view about this Budget as it has been explained to us. The Finance Minister, during the last one or two years, has been fighting inflation and this Budget has got two important features, one to fight the inflation, and the other to get a better incentive for the purpose of capital formation and get capital for more production.

Sir, I find this inflation being discussed day in and day out, but where does it exist? It exists especially in the urban areas. If you just look at the figures supplied to us, during the last three or four years the figures have been going up and these figures have been creating a kind of nervousness among the urban population. I find from the figures that in a place like Kanpur the cost of living index has gone up by 508, Bombay 302, Calcutta 251, Madras 321, Delhi 130; probably it is much more but this is a little old figure. What does this show? This shows, as the Finance Minister explained to us in his introductory speech, that mostly these inflationary figures comprise the food stuffs. Who produces these food stuffs? The villager produces them. He is not willing to part with his food at a lower price and therefore he is demanding a very high price; that is why there is a great deal of inflation. The city man refuses to buy food at a high price and the village man refuses to part with his production at a low price. Therefore there is a tug-of-war between the city dweller and the villager. Why? All these years, during the last 100 or 150 years, when the money economy had grown to play a very important role, the village man had been completely neglected and the urban man had prospered. The money was there in the city, the village man had absolutely no taste of the money. Thanks to the war and the cheap money policy of the Government, the Government has introduced five times more currency in the market, circulation has been going on like anything, and it has percolated in the villages. The villager now feels that he has got money, he will keep it and unless and until he is paid more price he is not prepared to give his production. The Government should, therefore, either coerce him to give it at a lower price or tempt him to produce more and more in order to relieve the inflation and give food to the cities. Instead of doing that if the Government gives a little more price and just reverses the economy from the city point of view to the villager's point of view, it is probable that in the course of one or two years we will be able to improve our money economy. Probably the only harassment or embarrassment that will be experienced will be by the city man, not the village man.

If we look at the national income, we find that out of the total income of this nation, 54 per cent is contributed by the villager, only 21 per cent contributed by the industrialists and industries, and the balance of the income is contributed by miscellaneous things. Our town population is only 20 per cent, our village population is 80 per cent. 80 per cent of the population contributes only 54 per cent and the city population of 20 per cent contributes 21 per cent. This proportion looks very anomalous. If you just look at the wealth, you will see that it is not the capital that matters, it is not the money that matters, it is not the industry that matters,—it is the huge population that matters. So many crores of people living in the villages, waiting for getting some work, and with able-bodies, with skill, with talent, capacity and energy, are not being given sufficient work and are not being treated properly; no resources are available to them for doing more work. If you are able to get 21 per cent of the national income from the cities by utilising the hands and bodies of only 20 per cent of the population, how much more can you get if you utilise the services of all the villagers by giving them the necessary facilities that are absolutely not available to them?

Therefore, I want to urge on this particular aspect, that hereafter our money economy as it is today should have a definite approach, the approach being the real approach as to how this money, as it has been introduced today, could be utilised for the purpose of employing the people and getting our wealth increased.

There is one particular point I want to say in this connection. Studies which I have made and discussions that I had with friends reveal to me certain factors that this circulation of money today is distributed throughout India. It is generally the impression that large amounts of money are in the hands of city people. My own feeling is that on account of high prices, on account of temptation for getting more money, there is also sufficient money in the villages—the money has percolated to a very large extent into the villages also. This money the villager is not willing to part with until and unless he is given some incentive. Supposing he invests in savings certificates or in any industry or in a Government Bond, what will he get? It will be for something with which he is not connected. Therefore, he must be told definitely and a definite promise given to him that whatever money he is in possession of today, if he is to part with it either for investment or for anything similar, it will go for a productivity in which he is directly interested. Therefore, it is absolutely necessary that if you want to have a savings campaign today it must be utilised for the villages and the rural areas so that you will be able to get sufficient money and use it for productive purposes.

I want to make a definite proposal in this connection. If it is possible for the Government, then it must immediately try to see that a kind of a campaign is conducted throughout India, especially in the rural parts, that a part of the villager's income—whatever his savings are either on the basis of the acres that he cultivates or on the income that he derives on the produce—say ten per cent of his total income should be saved for the purpose of productivity, which will be kept by the Government of India or by the Provincial Government so that this money at good time may be made available for a kind of capital formation which will be used for rural purposes. Elaborating this point a little further, I would say that we have today nearly a rural income of 2,800 crores. Government must evolve some suitable scheme for effecting a saving of say some 280 crores out of this income. They can base the scheme either on the total acreage under cultivation or some other basis. Today we have nearly 185 lakhs of acres under cultivation and either on the acreage basis

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or some other basis, some suitable scheme may be evolved by which within three years this saving could be effected. If we collect, say Rs. 10 certificates, it is quite possible that by propaganda and by making an appeal to the patriotic sentiment of our rural population, it is quite likely that we will be able to get Rs. 280 crores. And this sum should be treated exclusively as capital for the purpose of promotion of the interests of the rural areas, for instance a small scale project, an irrigation project, rural industries, electrification projects for the villages, credit facilities for housing rural populations, rural markets and warehouses. There are many other things for which the villagers are craving and this money should be made available to the rural population to enable them to get some of these things.

There is only one thing more I have to mention, within the short time at my disposal. Every villager must be made to feel that whatever money he saves now will be devoted for his benefit. And he should also be made to understand how the Rs. 10 he saves now, when the inflation influences go away, and prices come down, this sum of Rs. 10 will become Rs. 15. If he is made to understand the real position, and if we get his confidence, and when he feels convinced that it is for his benefit, he will certainly participate in the scheme evolved by Government. Therefore, I want for the stabilisation of prices, for the stabilisation of our whole economy the rural population must co-operate with us. We must win their confidence. We have been, by various methods wooing the capitalists and asking them to invest more and more. But when they actually invest, then there will be a kind of non-co-operation from the other side. Therefore we have to see that both the sections of the population properly contribute so that we may have a balanced economy and a balanced distribution of wealth and a balanced distribution of labour in this country so that all those who have able bodies may get a chance to work and that work will bring in enormous wealth.

In conclusion, I wish to support the honourable the Finance Minister, and again congratulate him on having brought forward a balanced budget. I request him to have this rural approach and try to work out some of the suggestions I have made.

Pandit Thakur Das Bhargava (East Punjab: General): Sir, I whole heartedly support the proposals which have just been elaborated by the previous speaker. I too had similar proposals to make and since he has elaborated them, I do not want to take up the time of the House by elaborating them again. I have only to add that if we have bonds issued, and named after the projects which are to be initiated or developed in particular parts of the country, that will have a very good psychological value. For instance, in the East Punjab, they have got the Bhakra Dam project. They can have the Bhakra Dam bonds. Similarly they can have the Damodar Valley Bonds, and many persons who have benefited by the rise in the price of food grains will certainly contribute for these bonds. In this way large sums of money can be attracted into the Government's coffers.

As regards the capitalists, I want to submit one specific suggestion for the consideration of the Government. It has been said that in the money market, there is great stringency, and that capital is very shy: that Government floated a loan which was not fully subscribed. Also we know there are complaints that investments are not made on capital works now. What is the reason for all these things? One reason may be that there is no money in the country. The other reason may be that there are certain circumstances which made it very difficult for capitalists to bring out their money. I for one do not believe that there is dearth of money in the country. I do believe there is ample

money; but people are afraid and they do not bring out this money. A long time back, I read one novel named Zanoni by Lord Lytton—it is a mystic novel—and in that novel a figure was depicted as a monster at the gate which would not allow any one but a particular class of people to enter the gate. Its eyes were so consuming and its look so compelling that no person who had not the requisite qualification could enter in. My example may not be very apposite, but I am afraid, at the same time, that the effect of this Investigation Commission is exactly the same as that of the monster in the novel. When we come to this aspect of the case, which I propose to elaborate further, I have to submit that we must consider all the circumstances which have given rise to this state of things. During the war, people made huge profits and they did not pay taxes. The income-tax department of the previous Government was absolutely inefficient. It was corrupt also. The whole Government was corrupt, and during the war when these huge profits were made, nobody cared to tax those profits, those contractors, etc. Thousands of people in the Supply Department made profits and they have gone away and they are not in India. Now these people who are here, feel that if they come out with their money, they may be taxed, and they might have to part with some of their illegal profits. If during the war, they had been asked to part with 66 per cent of their profits they might gladly have parted with it. But after the war, our country was in an awkwardly peculiar position. The interim Government came and Sir Liaquat Ali brought out his budget of 1947 and gave birth to this Investigation Commission. Now, this Investigation Commission was something like a still-born hybrid, because it had nothing but a skeleton. There was no power in it. For one year it went on and nobody looked at it. Afterwards, this egg of a crow was hatched by the cuckoo and our previous honourable Finance Minister gave it life and flesh and invested it with power. But even then, what do we find now? In his Budget speech, the present Finance Minister says no results have come out, and I do not think any results can come out of it, because when we invested it with powers, we invested it with wrong powers and made it simultaneously the complainant, the investigator and the final judge. Now the position is this. If any person brings forth money to invest it on a property or in a factory or in some such venture, the hounds of this Commission go to him and pester him and ask him, "Wherefrom have you got this money" and that man is as a matter of fact, at the end of his wits. At the same time, Sir, the tax dodgers love their money very much and they are afraid that as soon as they bring out their money, they will be caught. This is going to be a vicious circle. When I look at the figures of the tax dodgers, I am certainly staggered. I feel that the arrears of this income-tax are so large and have been so large in the last few years that there is no wonder that people have not tried to pay their dues. With your permission, Sir, I will just give some of the figures.

On 31st July, 1948, 2,86,274 cases were there in arrears and there were 359 cases of 1943 and 1944 and earlier

In 1944-45	17,627	cases.
In 1945-46	87,929	,,
In 1946-47	77,121	,,
In 1947-48	1,54,344	,,

These are the arrears.

Now, Sir, if out of these people of 1944-45, when the War had not ended, if people made a good amount of money and their cases have not yet been

[Pandit Thakur Das Bhargava]

decided and there are still arrears, may I know the fault of the man who hides his money and does not want to pay the tax? Circumstances may have changed during these four years and a fair amount of money may have also been lost by him. The temptation for non-payment becomes too great and a person may even prefer to go to jail rather pay lakhs of rupees now. So the difficulty is that this mentality which we all condemn has been as a matter of fact abetted or at least brought up to a considerable extent by the inefficiency of the Department. What we should have done at the time when our National Government got into power was that they should not have pursued the course initiated by Liaquat Ali Khan *i.e.* Investigation Commission. They should have taken a bold course. Abnormal situations call for bold courses. After one year of the new Government coming into power the result is that the arrears are there and the Income-tax Commission has not brought forth any result whatsoever.

We find from the speech of the honourable the Finance Minister that they have taken to some other work. They have taken to the work of finding out how can evasion be tackled. I think it is a more fruitful work and perhaps they will do better there. The only promise that has been held out to us is that there will be a third Bill to amend the original Bill and after the third Bill of amendment is passed it may happen that if some powers are given to the commission for the purpose of making agreed settlements, it is possible some result may be shown. As a matter of fact we should have the courage of performing a surgical operation when the attempted cure by physicians have failed. We must dismiss this Commission or, take advantage of this Commission in some other way; they have amassed a wealth of material and from that we can take some advantage.

All the same, I beg to seriously propose for the consideration of the honourable the Finance Minister a proposal like this. You fix a date. I believe, Sir, that the honourable the Finance Minister has certainly heard of the Bran pie system by which the Police get hold of arms from those who possess them illegally. They fix a date and by that date every person who is in possession of illegal arms comes forward and delivers his gun and dagger in some place and then the Police take possession of them and the person, who delivers these arms is not penalized and in this way illegally possessed arms, are disgorged. In Delhi those persons who took possession of the Houses could not be evicted and their possessions were confirmed. Let a date be fixed and let a notification be issued that all persons who have not paid their taxes should come forward and file their returns on a condition that if they do so, they will get a 25 per cent. rebate and the rest will be recovered. If after that date, it is found that those persons have not behaved well, you can proceed under section 34. But I would proceed further.

Shri Mahavir Tyagi: Will the same process be repeated next year?

Pandit Thakur Das Bhargava: No, Sir. I am going to propose something more. If my honourable friend had just heard the whole scheme, then he would not have put that question. I want another Bill of a penal nature to be also passed saying that if any person is proved to have concealed his income or not given his true income to the Commissioner of Income-tax, then in that case he shall be punished with an imprisonment for seven years. This is what I want to suggest. After all, Sir, this is a position in which by our own conduct by not taking the tax as it ought to have been taken, we ourselves have brought it about by our own inefficiency. This is a proposal which I have discussed with certain friends and this proposal has been going round for a long time, and I submit, this proposal for the consideration of the honourable

the Finance Minister for whatever it is worth. I for one think that in a matter like this when crimes are committed on a mass scale for the last four or five years, we should adopt other measures and not allow this humdrum Investigation Commission to proceed in this manner.

I wanted to say many more things, but I am sorry the time is very short and I will take advantage of the Finance Bill later on. With your permission, I will just submit two points more for the consideration of the honourable the Finance Minister.

In regard to the Investigation Commission's present report, the report is said to be confidential and I will therefore not touch the recommendations at this stage, but all the same, with all the emphasis that I can command, I very humbly suggest to the honourable the Finance Minister that the approach by the Commission in regard to the question of the Joint Hindu Family has not been fair. I received a questionnaire from that body in which they told me that they have to look at the question from the point of view of evasion and now I understand they have been pleased to report in respect of the liabilities of the Joint Hindu Family for taxation also. My feeling is that when they framed the particular question about Joint Hindu Family from the point of view of evasion only and said so in the note accompanying the questions they had no right to make any sort of proposal in regard to the Joint Hindu Family. Last time when this question was raised on this very date, the previous Finance Minister told us that he will consider the question. Now on every Budget occasion when I have been in this House, this question has been raised and every Finance Minister has always admitted that injustice has been done to the Joint Hindu Family and last time the previous Finance Minister said that he would look into the question but I do not think the question is going to be looked at. I have got some faith in the honourable the Finance Minister as I have seen him at work in regard to the Bill about which my honourable friend Syed Karimuddin spoke and I found then that he was not obsessed by the idea of getting more money from the public and approached the question at issue from the right point of view. If he wishes to inspire confidence in the public he should know यथा राजा तथा प्रजा (As the King is so the subjects are likely to be). If he keeps up this sentiment and acts up to this principle, I hope, he will be able to inspire confidence among the people and I also hope that he will look at this question from a dispassionate point of view.

And one thing more, I must submit for his consideration and that is this. I know from the report that he has circulated that the number of arrears was 3,85,000 and that he has been able to reduce it to 1,97,000 and his officers have worked well in 1947-48. Out of 38 crores which was the arrears in regard to completed cases it appears that he has been able to realize some thing like 15 crores. Though this amount contains some of the advances also, all the same I congratulate him for this work. There is one more thing about which I would plead respectfully. In all sessions and criminal cases three months is the period in which the case is to be finished and I want him to make it a rule that in every assessment of income-tax case not more than one year shall lapse. Unless he does make a rule like this, I do not think that the Income-tax authorities will take it seriously. I believe some such rule is necessary. I have to submit many more things, but I do not want to take advantage of your indulgence and, therefore, I sit down.

Shri Arun Chandra Guha (West Bengal: General): The honourable Minister for Finance has in his speech this morning placed his difficulties before the House. I think the honourable Members need not be reminded about the difficulties of the Finance Minister, particularly in a country like India at this

[Shri Arun Chandra Guha]

time. We have problems along with the general economic condition all over the world due to the post-war conditions; but over and above all these power having been transferred from alien rule to our own hands, we must have some development plans, some economic readjustments which also have given birth to new problems. Moreover, we have problems arising out of the Partition of India, I am glad that the Government of India have at last come to realise that the effects of partition of India are tremendous and that they are affecting every sphere of our national life. Coming as I do from Bengal, I feel the effects of partition more keenly than the Members coming from other parts of India. We have been asking our leaders for some sort of customs union or economic understanding with the Pakistan Government. At last I am glad to see that the honourable Ministers for Finance and Commerce have said something to that effect and that the Government have realised that some understanding should be reached.

Then there is another anomaly in our economic condition. During the last two years we have been talking of inflation and of fighting inflation. I would like to say that the honourable Minister for Finance has done some injustice to this House by not taking it into his full confidence.

[*At this stage Mr. Speaker vacated the Chair, which was then occupied by Shrimati G. Durgabai (one of the Panel of Chairmen)*]

I would ask him to tell the House if the Budget for 1949-50 is an anti-inflationary budget or something else than that. In his Budget speech he has given us some vague warning. "In the economic life of the country today there is a deep underlying fear for the future". Sometime ago the Economic Adviser to the Government of India—I wish he was more discreet—told the country that the country had almost reached a stage of depression. We can see that there are certain symptoms in our economic life which may give some warning to that effect. Cost of living has increased; money is abundant in the commodity market; but money is stagnant when the question of capital investment comes. That is a sign which may be taken as symptomatic of depression. I hope the honourable the Finance Minister will take the House into confidence if he is really apprehensive that depression is coming.

On another point the Finance Minister has not been quite frank with us. We expected from him a clear declaration as to the economic policy of the Government for the coming year. Of course it will be premature now to raise the question of complete nationalisation. I have no quarrel with him to admit that private enterprise has yet enough scope in the country and that we need it. I would not grudge the honourable Minister giving some inducement so that private capital may come forward for increasing production in the country. But I would like to have a clear declaration from the Government as to whether we are going in for centralised economy or whether we are in favour of decentralised economy. This is a very vital problem for us. Every Congressman in the House feels committed to the doctrine of decentralised economy. This is not merely an economic principle. From the experience of the last war we have realised that decentralised economy is more suitable to meet the emergencies of war. Centralised economy can be very easily made the target of air attacks and things like that. We are living in a time when, I am afraid, nobody will be able to be free from anxiety and fear of war. So, apart from our personal economic convictions, from the standpoint of world conditions today, we should have a clear declaration that the Government of India are committed to the principle of decentralised economy.

As regards the question of effecting economies in the administration I wish first to point out that our national income has increased since 1938-39 by about 100 per cent. But our Government expenditure has increased by about 400

per cent. There should have been some parity between these two figures. Members of the House have been rather outspoken in their criticism of the services. We do not grudge them the pay if we get the required efficiency. In this connection I would like to remind the Government that the nation has treated the Services most generously. If any single sector of the national life has benefited by the transference of power, it is the services. And I must say that they have not contributed anything towards it. On the other hand they have fought definitely against the transference of power and yet the country and the nation have treated them most generously. The House therefore expects that they make some gesture in response of this generosity.

During the British rule, the services on certain occasions were made to impose a voluntary cut in their salaries. After the transference of power I think it is not too much to expect that these same services would make a similar gesture by voluntarily surrendering a part of their salary. We have been told in this House by our Ministers that it is a contractual obligation to pay the services the stipulated salaries. I would like to know if that is the attitude of services today. Do they want the full pound of flesh? If that is their attitude then I must say that they are not playing their role.

As regards inducing the capitalists to make more investments, if need be, I admit that there may be some inducement given to them. But last year also some inducements were given. But in this House sometime ago more than one Minister plainly told us that capital has not played its role. I only hope that the capital this time will accept the challenge of the honourable Minister for Finance and will play the game by responding in a generous way to the trust that has been reposed in them.

As for economy the Ministry of Finance has a very unpleasant duty to perform. It has got something like a censorial duty to supervise the expenditure of all Departments. There is a Standing Committee attached to all the Departments. Most of the expenditure has to be passed by those Standing Committees. I would like that there should be some liaison between these Standing Committees and the Finance Department, so that the Finance Department may know on what considerations the Standing Committees of those Departments have to pass those items of expenditure. Some of the members might have put forward some arguments against the sanction; some members might have said one way or another and the Department again might have their own arguments. If there is a liaison between the Finance Department and these Standing Committees, I think the Finance Department may know the mind of the members of the Standing Committee, why some of them might have objected to a particular grant or why some of them might have supported it.

Some of the articles of basic necessity are subjected to taxation at three or four points. It is something like a competition between the Centre and the provinces in taxing these articles. The cotton that is produced in C. P. as cloth goes to Bihar or Bengal or Assam *via* the Bombay and Ahmedabad factories; and in between these, from the producers of cotton to the retail purchasers of cloth, I think there are at least four stages of taxation and this is in fact a factor tending to inflate prices. I hope there may be some arrangement between the Centre and the provinces by which such articles should be taxed only once. Pakistan Government has centralised the sales tax. I do not know if the provinces here would like that, but there should be some arrangement by which this multiple taxation—something like a competitive spirit in taxation between the Centre and the Provinces, might be stopped.

[Shri Arun Chandra Guha]

Then, one question which affects my province most vitally is the allocation of the jute tax and the income-tax. The Finance Minister this time has put the revenue due to income-tax remission at rupees six crores less and he has consoled us that out of these, rupees three crores would come out of the share of the provinces. But that would simply increase their burden. Of course, the Finance Minister has given us a useful dictum, "A balanced national budget may and often does cover a multitude of unbalanced family budgets". That is no solution for those poor men whose family or provincial budgets have been unbalanced. I would say that the whole Niemeyer Award and the allocation of jute and income-tax duties should be revised. There is no reason why West Bengal, after having all those calamities, should be discriminated against.

Another point is that in the report of the Ministry of Finance, my honourable friend has mentioned, "A minor banking crisis developed in West Bengal towards the end of September". It is not at all a minor banking crisis, it is a major and a very major financial crisis in the province. If I am allowed to say so, it is something like the South Sea Bubble of the 17th century in England. It is something like that for West Bengal and I would implore the Finance Minister that he may take some drastic steps as regards those banks which have closed—not only those scheduled banks but other small banks also—so that their easily realisable assets may be pooled together and some Reconstruction Bank may be started and as far those men who are responsible for this disaster, even their personal belongings may be investigated and if their honesty be found wanting in managing those banks, then they should be prosecuted. In any case some drastic steps should be taken.

One thing I would like to place before him. Those men who have brought about this financial disaster in my province, they are now engaged in other forms of business and the Government and other banks are giving them banking facilities and accommodation. I would at least ask the honourable the Finance Minister to write to other banks of Bengal that these men should be stigmatized and should not be given any banking accommodation unless their conduct in regard to those banks have been clearly proved to be beyond any stigma.

Shri Khandubhai K. Desai (Bombay: General): I intervene in this debate at this stage in order to supplement certain suggestions which I made at the time of the general discussion. Of course, I must admit that the reply which the honourable the Finance Minister has made at the end of the discussion has carried certain satisfaction to me and to most of the Members of the House. Particularly, he has stated that he has got unfortunately to deal with a situation which has been made worse by the last three Budgets, and he has tried to bring in, according to him, a sort of normal Budget, and particularly his reference to the relief granted to the capitalist class I welcome, because he said that this is the last dose of relief that is being given and if they do not still play the game, something more drastic would have to be done and certain other methods and technique would have to be found but in order to plough in capital which is lying hidden.

This morning the honourable the Finance Minister has given certain explanations regarding the prices and inflation but I am not satisfied as there is no assurance of the concrete steps which he has in view for the coming year. (*Babu Ramnarayan Singh*: 'Nothing.') The impression that has been left on my mind is only the assurance that the present process will continue, it has steadied, and you need not worry about it. He has not given us any assurance

of doing something which will bring down the prices, but I feel that he is somehow or other believing in the theory of "drift", I would say, fatality—something may happen in America and probably we will be out of our economic crisis soon. That is what he is thinking about. (*The Honourable Dr. John Matthai*: 'Certainly not.') I think during the next year he ought to take some positive steps with a view to see that prices go down and the middle class, particularly those living in urban areas, will have a happy and easy time. (*Shri B. Das*: 'He wants your advice.') I am really very glad to know when we were told this morning that the honourable the Finance Minister has got in view the examination of the taxation structure, and for that he is appointing a sort of high-power commission to go into the national income and its distribution among different sections and cross-sections of society, so as to evolve an equitable system of taxation. But I hope it will not be one of those Commissions which might take years to come to decisions. He must give a time limit and that Commission should report in the course of the next six or eight months, so that at the time of the next Budget he will be able to evolve his system of taxation on the basis of the data thus obtained, and with an eye on the capacity to pay.

Regarding the formation of capital, there is one thing which I would like to place before him. During the last ten years, there have been phenomenonly abnormal profits throughout the country. One does not know where those profits have gone. They say that a certain amount has been taken out of those profits by way of taxation to the extent of 80 to 90 per cent. That money would have come to the coffers of Government. Again it would have gone out and from that very money again profits would have been made. So it was a continuous process of making profits and today in the year 1949, there should have been enough capital in the country for capitalising most of our industrial concerns, and developing new industries but the capital is not forthcoming. What must have happened is this. There seems to be something wrong somewhere because the capitalist would like to invest his money even at one per cent. instead of keeping the capital idle. So, while thinking over this, I came to the conclusion that a certain exemption was granted in 1942. A person who at that time lived in India and earned money in the State was exempted from paying tax. And since 1942 I find that in a large number of States were started quite a considerable number of mushroom banks. I feel that these banks must have been interested in these questions and most of the profits earned in India might have been shown as earned in the states. They may have been shown as earned in the States and even from the States this money might have been transferred from London or New York. This phenomenon has diverted the money from India.

There is one question on which I was giving some attention and it is this. This time the export duty on oil-seeds has been removed in order to earn dollars in the foreign market. I do not know whether the whole question has been examined thoroughly. For aught we know, there are duplicate firms working for the same interests, both in the States and in India. It is the same firm with different names and oil-seeds and such other articles being surplus in the States, they are being sold by one firm to the other firm belonging to the same interest for profit, and this profit, in my opinion may, according to the law, legally have been earned in the States and for which they will pay no taxes. So particular oilseeds may have been bought in a particular State for Rs. 10 or Rs. 12 and it may have been sold for the export trade for Rs. 22 making the profits of Rs. 10. But it is earned in the States and so they are not taxable and the prices at the port may be Rs. 22 but in the export market possibly they might be fetching Rs. 22/8. So all the tax you get is ou eight annas only. This is a question which requires close examination and I should

[Shri Khandubhai K. Desai]

think that the Government of India now, after the integration of the States and the formation of Unions among States, should take adequate powers to see that such evasions, which may be legal technically, though morally they are evasions, do not take place. This is the technique by which capitalists managed to evade taxes throughout this period.

With these few words, I would place the last suggestion before the honourable the Finance Minister to take immediate action and take steps to remove the exemption granted in 1942.

Mr. Chairman: May I know what time the honourable the Finance Minister would require for his closing reply?

The Honourable Dr. John Matthai: This debate is in the nature of the whole House thinking aloud together on certain problems. I do not think I would weary the House with a long reply. If you give me fifteen minutes, that would suit me.

Prof. Shibban Lal Saksena (U.P.: General): Madam, I very carefully heard the speech of the honourable the Finance Minister. There was some pathos in his declaration that while every Ministry which came up for supplies was generously voted their demand, he himself was censored for his proposals, when he went to collect the money for that expenditure. But that is natural. The country needs expenditure on all items. What really we criticised was that he being the custodian of the Finances of the nation should so arrange things that all the needs are supplied and that the country develops in a manner and with a speed which we all desire. It was only a difference of opinion on the method of raising the funds and not that we did not want to raise funds. He should therefore not feel that we are partial to some Ministers and not to him. We have a very high respect for him and we only wish that he only tried to recast his proposals in the best interests of the nation in consultation with this House.

He has dealt with inflation and he has delivered a learned speech and met many of the criticisms levelled against him in the press, in the House and elsewhere. But I feel that inflation cannot be met without more production. The ultimate solution of inflation is more production, both in the fields and in the factories. No amount of jugglery in financing or other methods can really solve the problem. Just now a friend pointed out that production this year has increased by 15 per cent. That is not satisfactory for a State like India, which is starving for want of sufficient food. This budget which the Finance Minister has prepared, in fact depends entirely on the goodwill of institutional investors and the capitalists and it is a sort of an abject appeal to them to come forward with their money bags to help him. I feel that his appeal is misdirected because these people will always see whether it is profitable to them to come forward or not, and national interests are hardly a consideration with them.

I feel that for production we must boldly plan and nationalise the key industries and have proper distribution. It is now too late in the day to deny that the capitalist system has failed, and that appeals to industrialists will not help our country. We have to plan, to nationalise the key industries as we have already decided, and ultimately to distribute the incomes in manner which will promote the wealth, happiness and well-being of the country.

I am sorry that whenever it is suggested that the state should itself plan and start nationalised key industries, it is argued that capital will become shy. I think in our country there is so much field for new production that even if we do not nationalise a single one of the existing industries, the State can

plan and start any number of new industries and spend any amount of money upon them and leave private enterprise also to prosper and add to the wealth of the country. Even in Russia they did not nationalise everything at once.

In fact when we compare our production with that of other great countries ours is less than 1/100th of theirs. The other day I compared our production in iron and steel with that of Russia. Ours was nine lakhs tons whereas Russia is producing 45 million tons of steel and iron per year under the present five year plan. Russia is producing 45 million tons of both iron and steel whereas through private capitalists we are producing only nine lakh tons. There is not enough of iron and steel in the country and if the State also instals its plants it can produce more steel without injuring the existing interests in steel. The same is the state of affairs in regard to the production of coal and oil. In fact the argument dangled before our eyes that capital is shy and industrialists will not invest is quite superficial and utterly false. We have already declared that there is enough scope for private industry and yet nothing is done by the State in the matter of production.

4 P. M.

In fact today those who have read the papers would have seen that in Russia they have reshuffled their supreme cabinet and the following are the industries in charge of separate ministries. There are nine ministries which are devoted to production. There is a ministry for forestry and the paper industry, another for light industries, a third for chemical industries, a fourth for the oil industry, a fifth for fishries, a sixth for coal production, a seventh for food stuff production, an eighth for industry and machine production and a ninth for metal production. You will see from this what amount of attention they pay to production. Let us compare their Budget figures of income with ours. Their income is 4,46,043 million roubles which comes to about 22,000 crores of rupees. In fact it is about 75 times our income according to the present Budget. How have they been able to get so much income? It is because they produce much more and therefore they can impose and collect more taxes. Only twenty years ago they were lagging behind our country.

The honourable Finance Minister will therefore have to give up his supplication to the industrialists and institutional investors. He will have to plan boldly and execute his plans boldly. He will have to nationalise key industries, not necessarily those already existing in private hands but he will have to develop new industries, so that our country may come into line with the other advanced countries. Unless he does that there will not be any solution for inflation or poverty.

As regards agriculture it is a pity that we have to spend 100 crores for importing food grains and also pay rupees 32 crores in subsidy. If that amount was spent in developing our agriculture I think we could have wiped out this import of food grains. I feel that we are not giving the same attention to the food production as we ought to. If we had done that I am sure this amount of four million tons of imported food grains can be produced in the country in a very short time. I therefore think that there can be a good deal of economy in this matter of import of and subsidy for food.

Apart from production which can give us more income, we must also economise our useless expenditure. I have seen the Budget estimates. I feel that the civil administration has become a white elephant. Comparing the figures for the last ten years, published by the *Modern Economist*, we find that in 1938-39 our civil expenditure was 10·90 crores. In this budget our civil expenditure for a partitioned India is 48 crores. Three-fourths of the 1938-39 expenditure which should be the proper sum for partitioned India's share is 7·5 crores but our present expenditure is 48 crores i.e. it is seven times as much. This is a very big increase in civil expenditure and much of it is due to the creation of more and more departments and high salaried posts. I think

[Prof. Shibban Lal Saxena]

here there is great scope for economy. From 7-1/2 crores to 48 crores is something which requires serious attention and we can economise here by at least 18 crores. We must not spend more than 30 crores on civil departments. In fact I am surprised that while we are going on with retrenchment of petty employees we are creating more departments and spending huge sums on high salaried posts for absolutely new men. I want that all the existing surplus trained personnel should be employed in new departments and there should be no waste of the trained young men and new men should not be recruited so long as existing surplus trained personnel is available. Thus we shall solve both the problems of retrenchmeut and economy.

For Defence we have passed a budget for 157 crores. I am very happy that we are trying to be very efficient in defence. But modern armies cannot be put into the field unless there is a very strong industrial structure in the country behind them. I therefore feel that instead of spending money on defence we should spend it on industries, so that industry may be able to supply the needs of the army. I want a cut of 37 lakhs under this head of Defence and this should be spent in developing more industries.

As regards food subsidies we should abolish them and instead spend about 15 crores of the money saved on the development of agriculture and we should see that not a single grain is imported. If we make that rule and make it stringent it is quite possible to meet all the needs of the country without importing any food from abroad and thus wasting huge sums of money. In this way we can save 75 crores in all.

Then there is tax evasion, which has been another white elephant on the exchequer. We should be able to collect at least 25 crores more in the existing taxes by stopping evasion and in this way we can save 100 crores of rupees with which we can develop our industry and agriculture according to a bold plan so that we may be able to meet all the needs of the country. Then in the course of a few years the budgetary position and the economic condition of the country will be much more sound.

Pandit Mukut Bihari Lal Bhargava (Ajmer-Merwara): We heard an excellent speech from the honourable the Finance Minister this morning. There are certain features which I think will be welcomed from every section of the House. Firstly it has been announced that the Government of India intends seriously to tackle the problem of top heavy expenditure and that it is determined in the next few weeks to examine the report of the Economy Committee appointed by the Government of India in respect of the departments about which reports have already been submitted. I hope that the Finance Minister will stick to the policy that he has announced and the Economy Committee's recommendations which have been submitted after a great deal of labour will be given due effect and implemented at an early date. This matter has given a great deal of satisfaction to us, *viz.*, that this drive for reduction of top heavy expenditure is intended to be given a momentum by the Government. In fact as has been pointed out by previous speakers there has been an enormous expenditure rising to four or five fold. If you refer to the number of secretariat staff you will be staggared to see the number of Secretaries, Joint Secretaries, Deputy Secretaries, etc., rising from 46 to 334. The number of clerks have risen from 1,305 to 6,902. And the number of fourth grade staff—that is: chaprassis etc.—has arisen from 800 and odd to 3,000. (*Shri Mahavir Tyagi*: 'Scandalous!') This expenditure must be curtailed. It is rather surprising to find that even the very small token cut that was proposed in the last Budget by Shri Shanmukham Chetty could not be given effect to. I hope matters will improve this time.

Then the second declaration that has been made by the honourable the Finance Minister and which I think must have been welcomed by the House is that he realises that the Sterling Balances Agreement which his predecessor entered into with the Goverenment of the United Kingdom was not to the satisfaction of India. If I have rightly understood him I think he has felt that there was absolutely no reason why the Sterling Balances Agreement should have been arrived at on such terms which in no way were beneficial to this country. This Agreement will hold good for three years, but on the lapse of three years I think the Finance Minister intends to revise the Agreement on more beneficial terms to this country than has been done in the past. In fact the foreign capital—the British investments—in this country are being rapidly liquidated at very very inflated prices and are being transferred from British hands into Indian hands; and it is rather strange that our Government has not taken any benefit of similar Agreements that were made by the United Kingdom with countries like Argentine, etc. If our Government had been more vigilant and if it would have insisted upon the purchasing of the British assets in India in liquidation of sterling balances, I think we would have fared much better.

The third declaration that has been made is that the Government of India thinks it essential to make an enquiry into the national income of the country and to collect the requisite data and to take steps for the revision of the taxation structure of the country. It is absolutely essential because the taxation structure must be based on sound lines and the distribution of national income must be made equitably among all classes of people. But there is one thing.

As I have mentioned at the stage of the general discussion and which I reiterate today the approach of our Finance Minister to the conditions existing in India is of a very conservative and orthodox type. While the conditions existing in the country are not of a normal but of an extremely abnormal type the approach of our Finance Minister is not of a type commensurate with the exceptional conditions existing in the country. Our Finance Department has been taking a rather fluctuating course. Sometimes it recommends economy of a socialist type, at other times of a capitalist type. The Liaquat Ali Budget was framed on a socialist model. That policy has been reversed and it has been substituted by a policy of appeasement of our capitalist and industrialist—nay, the present budget is not only a budget of appeasement of the industrialist but in a way a budget of surrender to the industrialists and capitalists. Let us see how far this policy of appeasement succeeds and is likely to bring the result that is intended, that is, more money in the inveatment market. So far the reaction has been of a more or less disappointing character because not only there is satisfaction at the abolition of the Capital Gains Tax but the demand now is for the removal of the Business Profits Tax as also for the reduction of the Corporation Tax. How our economic structure will be able to bear this additional burden I for one am unable to understand.

Therefore it is not likely that the policy of calling for voluntary loans will have a greater degree of success than it had in the past. Last year only Rs. 55 crores out of a target of Rs. 150 fixed was subscribed. This year the target fixed is Rs. 87 crores but another debt that has to be paid comes to Rs. 67 crores and therefore the target is only about Rs. 20 crores. Will this small amount of loan satisfy the development programme which is essential for this country? We have certainly attained political freedom but economically we must feel we are still under thraldom. Our country is dependent for everything, from a needle to the biggest machinery, upon foreign countries: nay, in a way our economic condition today is worse than it had ever been. In the past India had never been dependent for its food on foreigners. But now we are dependent on them even for food. Let us see what is the programme that our National Government and our Finance Minister has fixed for the next five

[Pandit Mukut Bihari Lal Bhargava]

or ten years to follow. Does their budget contain anything which assures that on the expiry of, say, a period of five or ten years this country will be economically independent and will be able to stand in the world erect unaided, unassisted and not dependent upon any other country? Suppose today a war comes—and the clouds of war are already hovering and nobody can deny the possibility of such a contingency—what will be the fate of India? For our food we will be dependent upon foreign countries. So far as our defence is concerned we are absolutely dependent; we cannot manufacture our aeroplanes. We cannot have our own fleet, air fleet or sea fleet. For everything we are dependent upon supply from foreign countries. Is it a state of things with which we should remain satisfied?

The only way in which you can tackle these problems which are by no means of an ordinary character is that you must undertake a bold and courageous financial programme, and a fiscal policy must be moulded not on a conservative and orthodox type but on a liberal type and in a way in which you may be able to successfully meet the abnormal requirements of your country. This is nowhere to be seen. As I have already pointed out, the response of the industrialist and the capitalist, upon whose mercy we depend as has been depicted in our budget, is poor. There is absolutely no sign that that response is going to improve in the future. Therefore, if you are not getting any money by voluntary loans, what is the alternative suggestion before the Government of India to have the money requisite for our development and programmes? The Minister for Industry and Supply and the Minister for Works, Mines and Power envisaged a programme which requires, say, at least Rs. 500 crores in the next three years. Wherefrom is the money to come? If the capitalist and the industrialist cannot be appeased and wooed to part with his money then I say that Government should either sit idle or admit its failure, or it must take a bold and courageous stand. That can be done only by way of raising money by compulsory saving process or by compulsory borrowing. In this approach alone we can counteract the evil and the monster of inflation on the one hand and at the same time bring into the coffers of our country sufficient money to meet the industrial requirements of this country. Unless such a bold and courageous policy is coming forth from our Finance Department, I think the future for this country is not very good

Shri Krishna Chandra Sharma (U. P.: General): I congratulate honourable the Finance Minister for his lucid explanation of the different aspects of the situation. I feel one difficulty. Honourable the Finance Minister wants to meet inflation. Inflation is an evil and it has bad effects, but it is not an unmitigated evil—it has its good aspects as well. It has given employment to the people. It had given money to people who were always in debt, who were starving, who had no will of their own, who were leading the lives of the dumb-driven cattle; it gave some hope to such people.

When you meet inflation and contract the currency, the natural result would be that there would be less of employment. But the only way left of meeting inflation is by cancelling the currency or contracting it. High taxation is another way whereby you take away the money from the hands of the people. Their purchasing power should be lessened. The moment you lessen the purchasing power, the moment you take the money from the capitalist or the industrialist there would always be less of employment because when the prices go down overnight the wages will not go down and the natural result would be that many of the industries shall have to be closed down. What will you do then? This country has always been having a lot of unemployment and it cannot bear any further unemployment resultant on having the measures to meet the inflation.

My own solution is that you have given a long rope to the industrialists, you should expect them to rise to the occasion. The difficulty to my mind has been not that they do not have the good intention, not that they are the blackest people in the world, but the trouble has been that they have not been trained in the way the European capitalists are trained—they know the way to produce money, to earn income, to amass wealth in a way no capitalist in the world outside and no industrialist in the world has ever done. The black-market as it is here in India has been unknown in the world. Under-paying the labourer, not marking him present, not paying overtime wages, are some things unknown in the world outside but they are going on here in mills and factories and many other things which beyond India have long ceased to exist. So, to expect from them that they would carry on with increased industrial output under the modern conditions is an impossible proposition. It is not the fault of the intention of the man, but it is the fault of the lack of training.

In inflation the fundamental trouble is that owing to the uncertainty and owing to the expectation of a rise in prices people do not send their commodities to the market. Take the case of a peasant. The general tendency in the past was that in the last week of April he would sell half his saleable produce in the market, another one-fourth would be sold before the beginning of the rainy season and whatever was left to be sold would always be sold in the month of October. After October it was difficult for the peasant to keep any extra commodity in the house as it was not likely to rise in price after October. Bnt the present tendency is that they will not sell it for the whole year; they will keep it for the next year in the hope that the prices will go on rising and rising.

On the other hand, a man who wants the commodity for one month's expenditure, will go in the market and try to buy it for six months because he is uncertain whether the commodity will ever appear in the market again and whether he shall not have to pay higher prices. This situation creates trouble as it badly effects the people as a whole, especially the labourer or the man whose income is low.

As I said above, one compensatory factor of inflation is the rise in employment. By combating inflation you certainly lower down the average of employment and this country is not able to bear such large unemployment. My suggestion is that in order to have capital in your hand you should impose death duties, capital levy and have borrowing and cancel some of our currency. In England and in other countries there are duties on higher incomes to the extent of 65 per cent. Nature has given man dominion over his property for his life; beyond life nobody has any natural right to will as to where the property should go and where it should not go. It is a natural justice if we have this duty You should take the earliest opportunity to have that duty levied so as to have money in your hand and then contract your currency a bit and also have a capital levy. By all these means you shall have a lot of capital in your hands. It is no use waiting and seeing how the capitalists move—how the industrialists move; they have never moved, they have been dragged on by the circumstances and now the circumstences refuse to drag them on. They cannot go their own way. So, it is much better and more in the fitness of things that you take the people's lot in your own hands, start your own State industries, have new avenues of finding production, starting new ameliorative measures, so that the people instead of looking to the accumulation of capital in the hands of the capitalists or the industrialists, would invest the money in the labour—you create better man, better labourer, better clerk, better manager, better Secretary in your offices, and better educated men in every part of life; a better citizen would make the lot of the country better.

[Shri Krishna Chandra Sharma]

Before I sit down I earnestly appeal that the time of orthodox balanced way of doing things has gone. You cannot flee from the incoming onrush of the circumstances or their result and run into the lap of a mother like a child; you cannot at the same time jump to action like the blind man; but the need of the situation is that of a creative genius, of judging the things present, by negotiating with them and boldly confronting them and going on to the future to create a happier and better country.

Shri Upendranath Barman (West Bengal: General): I do not propose to deal with the financial and budget proposals as such, but only with one subject which the honourable the Finance Minister dealt with, both in his Budget speech, and this morning. And that is as regards the monetary policy of the Government, so far as capital formation is concerned. It is the accepted view of this House that we need more production industrial and agricultural. Then the question arises that in our industrial development we want capital both in the hands of the Government by way of loans and also investments by private capitalists. This is again a proposition which is accepted by us. But in the speech of the honourable Minister, he raises some apprehension that the capital in the hands of private capitalists is stagnant, and that that is due to deep-lying fear about the future. That, of course, is in addition to the inflationary causes that he has given us in his budget speech, and in order to remove that fear, the honourable Prime Minister, the honourable Deputy Prime Minister and other Ministers also gave assurances times without number. In the last Budget, by the honourable Finance Minister's predecessor, similar assurances were given and some relief was also given in the taxation proposals of last year, all in the hope that capital will be forthcoming during the course of this year. But these hopes have been belied, and the honourable Finance Minister has again this year come with further proposals of relief. At the same time he says this is a challenge to the capitalists, and their spirit of enterprise. I am not in a position to controvert him in this proposition, and in his assessment of the facts. But at the same time we find in the same budget speech, in para. 5 he has the following words:

"While there is obviously a large amount of money in the country competing for the limited supply of goods, the investment market has been stagnant and there has been little flow of money into Government loans or into industrial concerns."

Here the question arises whether it is due to the high taxation measures that capital is tied up or from the fear about future. The honourable Minister says that though there is enough capital in the hands of the capitalist it does not come either to the help of the Government or to the needs of the industry of the country. Therefore, the question may be asked, which of these two propositions is correct. If the statement of the honourable Finance Minister in para 5 of his Budget speech is correct, then the question of further concessions to capitalists, so that they may have more capital and more surplus money, to spend either on Government loans or in their own undertakings does not arise at all. Then the only question that can be asked is, if there is money enough in the hands of the capitalists, and yet does not come out, what are they doing with that capital?

The honourable Minister gives us the reply to this question also, when he says that they are competing for goods which are in short supply. In other words, they are more interested in doing unfair business, in black-marketing, than in honestly giving help either to the Government or to the industrial needs of the country. If that be correct, there is only one answer to this. Either Government must be up and doing, in checking black-marketing, or Government will accept defeat at the hands of the capitalists. No matter how much gesture it may show to the capitalist. This black-marketing

is the root cause. If a man has some capital, and if he finds that by investing it in black-markets or in doing unfair business, he gains more, then why should he come and invest his capital in Government loans or in private industrial undertakings, where your taxation officer will come and check his doings, and inspectors will disturb him? So this is the only question that looms very large in our minds, whether Government is tackling the matter strongly, so that this scourge on our lives, on Indian life may be scared away. This requires very strong measures, and no amount of gestures will do any good to the country at this stage.

It has been suggested by many concerns and by many private individuals also that it is not shyness of capital alone that is responsible for this shortcoming in industrial investment or on government loans. Really in all big undertakings, the real investment, the bulk of the investment, came largely from middle or small-class shareholders. Now, this middle-class and small shareholders are so much upset with the inflated market that they have no surplus money at all to invest. It is only a very few capitalists—perhaps 20 per cent. or less than that—who really hold up this money from playing its part in our industrial life. How much of this statement is correct, it is for the honourable Finance Minister who has more facts in his possession to say. But my first proposition remains that unless and until we can deal with black-marketing firmly, there is no hope of the situation becoming better. Now we cannot wait till the capitalists are placated fully, and they come out with their capital to give us help. In the meantime, the country is suffering so much, that we cannot wait looking at the capitalists alone. My own view is that—and it is the general view—my view as a layman is that Government should no longer look to the capitalists, but should draw this dead line, that there should be no more capitalist formations in this country. We do not disturb the old capital investments. But henceforward, our Government should undertake to develop industry and agriculture from its own resources, and for that purpose, do whatever is possible. We have got sterling balances outside. We acquire some trade balances also in foreign countries. So, instead of inviting the private investors to form companies and purchase capital goods from outside and undertake industrial concerns, it is high time that Government should utilise all the resources that they have got to launch State concerns for these purposes.

Then another point is this. As regards agriculture, we may be dependent on others to some extent for indenting capital goods such as improved agricultural implements, tube-wells, etc., but it is only to a small extent. But on the whole we must depend absolutely on our own resources within the country and develop our agriculture. For that purpose I propose to the honourable Minister to finance all sorts of agricultural development undertakings in due course from our own resources and if our revenue resources do not permit them being taken up, then we should have recourse to our currency making powers that is the Nasik Press. What I say is this that when we find that any agricultural undertaking or industrial undertaking will give immediate results in the shape of goods produced out of that undertaking, there should be absolutely no hesitation in using our Nasik Press for financing it.

I have seen in my own province a renowned gentleman, Sir Daniel Hamilton, purchasing an absolutely barren land in the Sundar Bans area. He introduced a certain currency called *Gosaba* note. He utilised that note. Of course he had to purchase some food and other things to supply labour and when the grains were produced those notes were paid back to him. They were utilised as payments from the tenants to the zamindars and he gave rights in the lands to the tenants. Those dead notes which were absolutely valueless so far as they themselves are concerned were utilised in producing tons and tons of goods in the shape of food crops. This is some thing which we should consider in respect of our national economy in this crisis.

The Honourable Dr. John Matthai: I do not wish nor would the House wish me to reply to all the various suggestions which have been made in the course of the discussion. All that I would say is that it has been an extremely useful discussion. There has been a useful interchange of views on important questions and I have not the slightest doubt that all that has been said in the course of the debate will be of great help to me and to my colleagues in coming to correct decisions on these matters of great importance.

I would like only to make a few comments on some of the more specific matters which have been referred to by honourable members. I quite agree, as I said in my speech this morning and as I said also in my reply to the general debate, that there is probably no more important problem before the Government these days than to look for possible economies in every direction in public expenditure, but I think there is a general feeling in the House that there are more possibilities of economy in the direction of Civil rather than of Defence expenditure. I think it was my honourable friend, Mr. Das, who referred to the question of Defence Expenditure. I would like to tell the House briefly because I think the matter is important, what my own personal reaction is to the problem of Defence Expenditure. I agree when the country's security is in jeopardy, there can be no limit at all to the expenditure that we should be prepared to incur in order to make the country absolutely safe. But in normal times, I would like to say that an expenditure of 157 crores a year is a good deal more than the economy of this country can stand (*Hear, hear*). We can maintain an expenditure at this level only by maintaining taxation at an un-economic level and by denying the country essential nation-building activities on which the future welfare of the people depends.

Reference has been made to the Taxation Investigation Commission. I think that Commission . .

Shri Mahavir Tyagi: What about the Civil expenditure about which you were also speaking in the morning?

The Honourable Dr. John Matthai: What I said about the Economy Committee has reference to Civil expenditure. I have already put the House in possession of my views as regards Civil expenditure.

Pandit Thakur Das referred to the question of the Taxation Investigation Commission. I do not agree with him regarding his views about the Taxation Investigation Commission. In my opinion, that Commission has already done useful work. The report that has been produced, I think is an extremely valuable report and I propose to examine that report at as early a date as possible and place legislative proposals before the House.

As regards the question of enquiry into the specific cases of evasion which have been referred to them, I think a few weeks ago in reply to a question in the House, I said that they had reached decisions and sent us reports in regard to four cases. Recently they have completed or very nearly completed six more cases, and as far as I can tell the total amount of revenue involved must be somewhere about a crore or more. The important point to remember is that you cannot deal with all these cases until the necessary spade-work has been done in regard to the general lines on which evasion has been practised. I believe the Commission has reached a stage now where it would be possible to expedite the work of enquiring into specific cases and speaking for myself, I am satisfied that the Commission so far has done a good job of work.

Pandit Thakur Das Bhargava: Will it deal with all the evasion cases 1,200 or 1,500 or more? Your predecessor said there may be only 12 or 13 cases and your reply to a question was there were 1,200 cases referred to this Commission.

The Honourable Dr. John Matthai: That was really the point I was coming

to. There are certain common features to all these cases and until these common features are sufficiently elucidated, you cannot make any progress, but once you are able to get a clear picture of the way in which evasion has been practised, the progress that you can make thereafter would be much quicker and I expect, therefore, the rate at which the work will be done hereafter would be expedited.

Shri R. K. Sidhva (C.P. and Berar: General): How many cases have been referred to the Commission?

An Honourable Member: 1,200.

The Honourable Dr. John Matthai: A little more than that. There has been a good deal of talk about the incentive which the Budget has gone out of its way to provide for the capitalists. I am not by any means capitalist in my outlook. I have had a good deal of examination done into this problem of capital formation. I have examined the distribution of capital in many representative joint stock concerns and I want to tell the House that I have been really surprised at the extent to which shares are being held in these concerns by people who belong to the middle income and the lower middle-income groups. In fact in many representative concerns that I looked into, if I could strike an average, if you take the total number of share-holders, somewhere about 90 per cent. would belong to the classes to which you and I belong. Therefore, when you say the investor is shy, it is the small man who is shy and necessarily so, because the small man with his limited resources would I think feel much more shy than the big man to risk his resources. He has got to take very much greater care and I think in these discussions that we are having about the investor, it is necessary to have a clear picture of this fact, namely the distribution of share capital in our joint stock concerns is such that the man who is mainly interested and mainly affected by it is the middle-class investor.

I think it was my honourable friend Mr. Moturi Satyanarayana who made a suggestion as regards what we ought to do with our loans and our revenues in the interests of the agriculturist. If, I am fortunate enough to be in charge of a Budget which discloses a considerable surplus, what I would like to do is not to reduce the level of indirect taxation, but to take the surplus that you can get out of it and spend it in a form which would make a direct appeal to the people in the country-side. What you have got to do is to provide him with services which will not merely be of interest to him but which would make an appeal to him. There is nothing that I would like better to do than to have a surplus at my disposal with which to constitute the nucleus of a national development fund from which, as occasion arises, it would be possible to finance schemes that would make directly for the welfare of the agriculturists.

Pandit Thakur Das Bhargava referred to the question of the Joint Hindu Family, a matter to which he refers almost every year. I cannot pretend that I have a clear understanding of the problems of income-tax in relation to the joint family. But this is a matter which has been discussed in the report of the Taxation Investigation Commission and I propose to go carefully into that report to see whether something can be done to relieve the position.

Shri Mahavir Tyagi: That promise is also given every year.

The Honourable Dr. John Matthai: That may be so. But now that we have detailed information in this report we can apply our minds better to this problem.

Pandit Thakur Das Bhargava: The Commission has not investigated the matters thoroughly. They did not invite opinions on this question and yet they have proceeded to give their recommendations congecturally. This is wholly unsatisfactory.

The Honourable Dr. John Matthai: It is quite unnecessary for me to say, to such an experienced lawyer as Pandit Thakur Das Bhargava, that when you proceed to frame your proposals on the basis of the investigations made by a Commission, it does not mean that you are committed to the whole of the report. Since Government are committed to making legislative proposals in that matter, it would be possible for us to sit together in Select Committee and see whether a satisfactory solution cannot be arrived at.

The question of opium was raised by Mr. Sahu. He knows as well as I do since he was one of the deputationists that waited on me on this question that we are going to have a conference of the Central Government and representatives of provincial Governments on this question. As far as the Government of India are concerned, we have little revenue interest in this matter. So I approach this question with a disinterested outlook. I hope it will bo possible for us, as a result of this Conference, to arrive at a satisfactory settlement of this longstanding issue.

I think my honourable friend Mr. Guha referred to the banking crisis in Bengal. I have been watching developments in Bengal carefully. The position at present is that the financial affairs of those banks are being enquired into by the Joint Registrar of Joint Stock Companies there. I believe he has completed his report. But since many of these banks have branches in Pakistan the registrar in Pakistan has also to make an enquiry and report. Meanwhile these investigations are going on. I cannot possibly take disciplinary action against those banks before getting the facts disclosed in the report. It will not be long delayed.

Shri Arun Chandra Guha: I have made another suggestion that those men who are responsible for the bank failures should not get accommodatiou from other banks.

The Honourable Dr. John Matthai: That depends on the financial and police investigations. I cannot proceed against people without evidence against them.

Shri Khandubhai Desai raised the question of States in regard to income-tax. He suggested that the existence of Indian States has been a means of evasion of tax by certain influential people. As the House knows, there is a committee which is now going into the question of the financial integration of States. I hope as a result of the investigation made by this Committee it will be possible for us to reach a satisfactory solution as regards this problem.

Then, I think my friend Professor Shibban Lal Saksena referred to the example of Russia in the matter of planning and increased production. I have been for some years a student of Russian economic problems. With regard to Russian planning, the figures quoted by him indicate the success of the planning. The success of that planning turns on a method of remuneration which is referred to generally as the Stakhanovite method. It is based on individual and private gains as an incentive to production. To say that Russia has eliminated the motive of individual gain is the very denial of facts. This fact is frequently overlooked.

I think my honourable friend Mr. Barman referred to Sir Daniel Hamilton. There was a stage in my life when I was associated to some extent with Sir Daniel when he was engaged in the task of reclaiming the Sundarbans. He devised a system of currency notes that was accepted by people because he had the reputation of being the wealthiest European in India. It was really his

personal credit that was at the back of his notes. If I start issuing notes on a large scale for our national concerns Government will not long retain their credit. I think I have covered the specific points raised. I will take into serious consideration all the suggestions that have been made.

Shri B. K. Sidhva: As regards the military expenditure, although the House was of the view that there should not be any curtailment in the Army, Navy or Air Force, the House desired that the Minister's vigilance should not be relaxed in the purchase of stores, supplies and items under the head miscellaneous.

Mr. Chairman: The question is:

"That a sum not exceeding Rs. 1,46,74,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March, 1950, in respect of 'Customs'."

The motion was adopted.

Mr. Chairman: The question is:

"That a sum not exceeding Rs. 3,45,78,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March 1950, in respect of 'Central Excise Duties'."

The motion was adopted.

Mr. Chairman: The question is:

"That a sum not exceeding Rs. 1,87,06,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March 1950, in respect of 'Taxes on Income including Corporation Tax'."

The motion was adopted.

Mr. Chairman: The question is:

"That a sum not exceeding Rs. 1,04,77,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March, 1950, in respect of 'Opium'."

The motion was adopted.

Mr. Chairman: The question is:

"That a sum not exceeding Rs. 3,30,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March 1950, in respect of 'Provincial Excise'."

The motion was adopted.

Mr. Chairman: The question is:

"That a sum not exceeding Rs.1,06,21,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March, 1950, in respect of 'Stamps'."

The motion was adopted.

Mr. Chairman: The question is:

"That a sum not exceeding Rs. 94,50,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March, 1950, in respect of 'Ministry of Finance'."

The motion was adopted.

Mr. Chairman: The question is:

"That a sum not exceeding Rs. 18,73,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March, 1950, in respect of 'Payments to other Governments, Department, etc., on account of the Administration of Agency Subjects and Management of Treasuries'."

The motion was adopted.

Mr. Chairman: The question is:

"That a sum not exceeding Rs. 2,33,95,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March, 1950, in respect of 'Audit'."

The motion was adopted.

Mr. Chairman: The question is:

"That a sum not exceeding Rs. 1,69,37,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March, 1950, in respect of 'Miscellaneous Departments'."

The motion was adopted.

Mr. Chairman: The question is:

"That a sum not exceeding Rs. 92,22,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March, 1950, in respect of 'Currency'."

The motion was adopted.

Mr. Chairman: The question is:

"That a sum not exceeding Rs. 1,28,47,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March, 1950, in respect of 'Mint'."

The motion was adopted.

Mr. Chairman: The question is:

"That a sum not exceeding Rs. 22,72,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March, 1950, in respect of 'Territorial and Political Pensions'."

The motion was adopted.

Mr. Chairman: The question is:

"That a sum not exceeding Rs. 2,40,46,000 be granted to Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March, 1950, in respect of 'Superannuation Allowances and Pensions'."

The motion was adopted.

Mr. Chairman: The question is:

"That a sum not exceeding Rs. 35,71,23,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of of March, 1950, in respect of 'Miscellaneous'."

The motion was adopted.

Mr. Chairman: The question is:

"That a sum not exceeding Rs. 2,25,00,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March, 1950, in respect of 'Grants-in-aid to Provincial Governments'."

The motion was adopted.

Mr. Chairman: The question is:

"That a sum not exceeding Rs. 62,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March, 1950, in respect of 'Miscellaneous Adjustments between the Central and Provincial Governments'."

The motion was adopted.

Mr. Chairman: The question is:

"That a sum not exceeding Rs. 3,55,95,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March, 1950, in respect of 'Re-settlement and Development'."

The motion was adopted.

Mr. Chairman: The question is:

"That a sum not exceeding Rs.10,00,00,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March, 1950, in respect of 'Pre-partition Payments'."

The motion was adopted.

Mr. Chairman: The question is:

"That a sum not exceeding Rs. 28,82,000 be granted to the Governor General to defray he charges which will come in course of payment during the year ending the 31st day of March, 1950, in respect of 'Capital Outlay on the India Security Press'."

The motion was adopted.

Mr. Chairman: The question is:

"That a sum not exceeding Rs. 13,14,62,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March, 1950, in respect of 'Capital Outlay on Industrial Development'."

The motion was adopted.

Mr. Chairman: The question is:

"That a sum not exceeding Rs. 4,16,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March, 1950, in respect of 'Capital Outlay on Currency'."

The motion was adopted.

Mr. Chairman: The question is:

"That a sum not exceeding Rs. 87,95,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March, 1950, in respect of 'Capital Outlay on Mints'."

The motion was adopted.

Mr. Chairman: The question is:

"That a sum not exceeding Rs. 23,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March, 1950, in respect of 'Commuted value of Pensions'."

The motion was adopted.

Mr. Chairman: The question is:

"That a sum not exceeding Rs. 1,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March, 1950, in respect of 'Payments to Retrenched Personnel'."

The motion was adopted.

Mr. Chairman: The question is:

"That a sum not exceeding Rs. 7,89,60,000 be granted to the Governor General to defray the charges of which will come in course of payment during the year ending the 31st day of March, 1950, in respect of 'Capital Outlay on Schemes of State Trading'."

The motion was adopted.

Mr. Chairman: The question is:

"That a sum not exceeding Rs. 33,41,56,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March, 1950, in respect of 'Capital Outlay on Development'."

The motion was adopted.

Mr. Chairman: The question is:

"That a sum not exceeding Rs. 92,02,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March, 1950, in respect of 'Payments to Government of Pakistan for Unique Institutions'."

The motion was adopted.

Mr. Chairman: The question is:

"That a sum not exceeding Rs. 20,09,83,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March, 1950, in respect of 'Interest-free and Interest-bearing Advances'."

The motion was adopted.

The Assembly then adjourned till a Quarter to Eleven of the Clock on Thursday, the 17th March, 1949.